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Current Demographic Analysis

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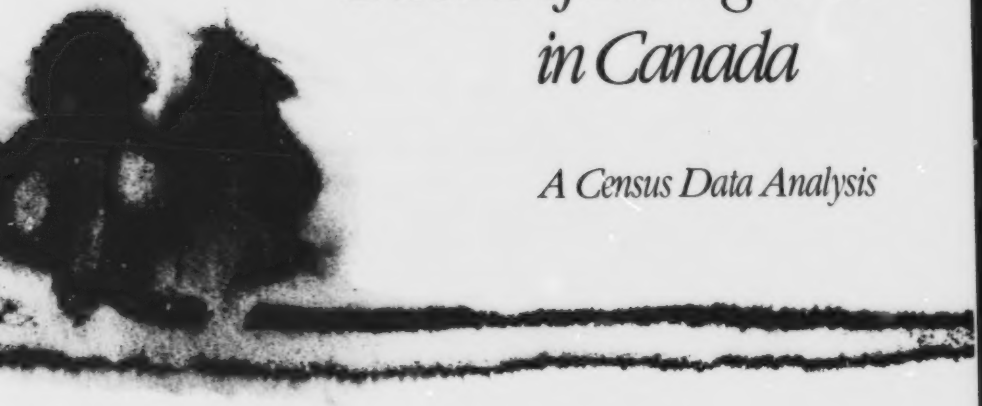
Income of Immigrants in Canada

A Census Data Analysis



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Preface

Immigrants have always played an important role in the development of Canada. If the birth rate continues to decline, immigration could become an even larger component of population growth. In recent years, there has been a significant change in the origin of immigrants. They no longer come primarily from Europe and the United States; an increasing number are from other continents, particularly Asia.

How immigrants adjust and integrate into Canadian society is an important question. The present study addresses this in terms of the incomes of immigrants. Using census data, the study compares the incomes of earlier and recent immigrants of various origins with that of the Canadian-born population. In addition to such important income variables as age and education, it takes into account other relevant factors such as length and place of residence, and knowledge of official languages.

Ivan P. Fellegi
Chief Statistician of Canada

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While acknowledging their contributions, any shortcomings in this study remain the responsibility of the authors.

Processing of the manuscript was handled by Danielle St-Germain and Audrey Miles with Ian Kisbee performing the tasks of liaison and verification.

HIGHLIGHTS

Introduction

- Immigration has accounted for about 20 percent of Canadian population growth since the beginning of this century.

***

- In 1981, immigrants comprised about 16 percent of the total population and 19 percent of the labour force.

***

- The proportion of immigrants entering Canada from sources outside Europe and the United States stood at about 8 percent in 1956-62, but rose to 60 percent in 1977-84.

***

- Among the Canadian foreign-born population, in 1981, about one-quarter had origins outside the United States or Europe. The comparable figure for 1961 was only about 4 percent.

XXX

Characteristics of Immigrants

- When compared with Canadian-born men and women, immigrants had: higher proportions in the prime working ages of 25-54 years; higher proportions in managerial and professional occupations (except for immigrant women); higher proportions living in urban areas, and higher proportions with university education. This situation stems from the points system and other selection procedures which are geared to give rise to selectivity of immigrants with respect to age, education and occupational demand. Thus their profile of characteristics would tend to give immigrants an advantage in the labour market. Consequently, higher proportions of them were in the labour force, and higher proportions were working full-time, as compared with the Canadian-born population. These, in turn, had a positive impact on their average incomes.

***

- With the exception of those arriving in recent periods, women from developing countries showed higher participation rates in Canada than did Canadian-born females.

XXX

Employment Income

- In 1980, immigrant men earned an average of $21,830, which was 4.9 percent more than the average of $20,802 earned by Canadian-born men, while immigrant women averaged $13,007, or 1.8 percent less than the average of $13,248 earned by Canadian-born women. When the effects of differences in age composition and educational attainment were removed, immigrant men and women earned 3.1 and 4.5 percent less than did Canadian-born men and women, respectively.

***

- While immigrant groups from traditional sources, particularly the United Kingdom, United States and Northern and Western Europe, earned equal or more than did their Canadian-born counterparts, the new immigrant groups from Asia, South and Central America and Africa earned 5 to 22 percent less.

***

- As length of residence in Canada increased, all immigrant groups improved their economic position.

***

- While immigrants from "traditional sources" achieved parity or exceeded the incomes of their Canadian-born counterparts after short durations of stay in Canada, those from Southern Europe and non-traditional or non-European sources took longer (up to 20 years).

XXX

Total Income

- In 1980, immigrant men had an average total income of $18,553, which was 11.9 percent more than the $16,577 obtained by Canadian-born men. Immigrant women had an average of $8,872, which was 6.6 percent more than the $8,322 for Canadian-born women. When adjustments were made for differences in age composition and educational attainment, however, the average income of immigrant men was 1.3 percent below that of Canadian-born men, while the income advantage of immigrant women was reduced from 6.6 to 2.8 percent. Thus, the adjusted total incomes were much the same for immigrants as for the Canadian-born population.

XXX

Low Income Status

- Immigrant families had a lower prevalence of low income status in 1980 (11.6 percent) than did families of Canadian-born persons (13.1 percent). Immigrant families that arrived after 1969, however, showed a higher prevalence of low income status than did those that arrived earlier. "Unattached immigrant individuals" had a higher prevalence of low income status than did similar Canadian-born individuals (42.0 percent vs. 37.3 percent).

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Chapter 1: Introduction

Immigration has always played an important part in Canadian population growth, and with a reduced contribution of fertility, this role is likely to be even greater in the future. Immigration is more than just an inflow of population, since it affects population characteristics such as age, sex and level of education, etc. In addition, immigrants bring with them various cultures and traditions that may influence those of their adopted country. As a result, the policies and programs that regulate immigration, both with respect to size and composition, will surely influence the future of Canadian society. It is not surprising then, that immigration is a hotly-debated topic in policy circles and beyond.

Given the importance of immigration, the question of how well immigrants are doing in Canada is of more than passing concern. Whether immigrants adapt easily and integrate smoothly into the economy is, of course, important to immigrants themselves — but it also reflects the extent to which Canadian society provides equal opportunities to its newest arrivals from abroad. In addition, the economic experience of immigrants is an important form of feedback for immigration policy and programs related to the selection and assistance of immigrants.

Although there have been other studies of immigrant economic adaptation, it is useful to reconsider this question in light of the data from the 1981 Census of Canada. As will become evident, certain changes during the period since the 1971 Census have placed the question of differential income in a new context. For one thing, there has been an increasing diversification of immigration in terms of country of origin, with larger proportions coming from non-European sources. Secondly, the pattern of attitudes toward immigration seems to have undergone change in Canadian society. In the mid-1960's, a White Paper enthusiastically reported the importance of immigration to Canada's continued economic expansion. In the mid-1970's, however, the Green Paper was much more reserved, and even ambivalent. Furthermore, as the large and well-educated baby-boom generations reached working ages, many began to question the economic need for immigration. In the face of these major changes, it is important to document the relative economic status of immigrants, and to pay particular attention to variations related to their place of origin or place of birth.

Immigration and population growth

Two periods clearly stand out in Canadian immigration history: the three decades after the turn of the century, and the three decades since 1951. In each of these six decades, immigration was of the order of 1.2 to 1.5 million persons (Table 1). Even though in each period the wave was roughly of the

Table 1. Components of Population Growth in Canada, between each Decennial Census from 1851 to 1981

Year	Number ('000)				Percentage	
	Total Population	Total Population Increase	Immi-gration	Emi-gration	Net Migration as Percent of Total Population Growth	Average Annual Population Growth
1851	2,436	...	...	...	...	...
1861	3,230	794	352	170	23.0	2.9
1871	3,689	459	260	410	-32.6	1.3
1881	4,325	636	350	404	-8.5	1.6
1891	4,833	508	680	826	-28.7	1.1
1901	5,371	538	250	380	-24.2	1.1
1911	7,207	1,835	1,550	740	44.1	3.0
1921	8,788	1,581	1,400	1,089	19.7	2.0
1931	10,377	1,589	1,200	970	14.5	1.7
1941	11,507	1,130	149	241	-8.1	1.0
1951	14,009	2,141[1]	548[1]	379[1]	7.9	1.7
1961	18,238	4,229	1,543	463	25.5	2.6
1971	21,568	3,330	1,429	707	21.7	1.7
1981	24,343	2,775	1,429	636	28.6	1.2

[1] Includes Newfoundland for the first time.

Sources: M.V. George, *Population Growth in Canada*, 1971 Census of Canada Profile Studies (Ottawa: Statistics Canada Catalogue No. 99-701, 1976) p. 5 and 7; Demography Division, *Postcensal Annual Estimates of Population by Marital Status, Age, Sex and Components of Growth for Canada, Provinces and Territories, June 1, 1984* (Ottawa: Statistics Canada Catalogue No. 91-210, 1985) p. 50.

same magnitude, the immigration rate in relation to the total population was considerably higher during the first (1901-1931), than during the second (1951-1981) period. Few of the immigrants from the first wave were still members of the population at the time of the 1981 Census. In the second wave, 4.8 million who arrived between 1945 and 1981, 3.3 million were enumerated in 1981. These post-war immigrants constitute, in effect, 86.0 percent of all immigrants recorded in this census.

As a component of population growth, the figures in Table 1 imply that the net migration of 3.9 million persons since the turn of the century comprised 20.3 percent of the population growth over this period. The relative contribution of immigration to population growth was highest between 1901 and 1911, when it reached 44.1 percent, but it has also been high in the last three decades, amounting to 28.6 percent in the 1971 to 1981 period. As fertility, and thus natural increase, becomes lower, the relative contribution of immigration to population growth necessarily increases.

Table 2. Foreign-Born Population: Number and Percentage of the Total Population, Canada, 1901-1981

Year[1]	Immigrants[2]	
	Number ('000)	Percentage of Total Population
1901	699.5	13.0
1911	1,587.0	22.0
1921	1,955.7	22.3
1931	2,307.5	22.2
1941	2,018.8	17.5
1951[3]	2,059.9	14.7
1961	2,844.3	15.6
1971	3,295.5	15.3
1981	3,867.2	16.1

[1] Figures for 1901 to 1981 include a small number of Canadian citizens by birth who were born abroad. In 1981, they amounted to 39,645. For historical comparability, they have been included with the foreign-born in this table. However, in the succeeding analysis, they have been included with the Canadian-born.

[2] In this study, the two terms, foreign-born and immigrant are used synonymously.

[3] Includes Newfoundland for the first time.

Source: 1961, 1971 and 1981 Censuses of Canada.

There are other ways to assess the importance of immigration to the Canadian population. Table 2 shows immigrants as a percent of the total population enumerated at each decennial census since 1901. The figure has remained rather stable, in the vicinity of 15 to 16 percent, over the last four decades. As will be seen later, however, this stability hides considerable change in terms of the composition of the immigrant group.

At this point, it is necessary to examine certain characteristics of the immigrant population. Immigrants comprise a larger proportion of the adult population than of the total population. In 1981, immigrants comprised 16.1 percent of the total population, but 19.2 percent of those aged 15 and over. This is, of course, a more relevant group in the context of the study of income. For the labour force as a whole, 20.0 percent were immigrants in 1971, and 19.0 percent in 1981. The labour force expanded by 3,241,000 persons during this decade; of these, 20.2 percent had arrived from other countries.

Brief history of immigration policy

Immigration policy is as old as Canada itself, with the first Statute dating back to 1869, two years after Confederation. From the beginning, there were restrictions prohibiting "the landing of pauper or destitute immigrants".[1] The

[1] Statutes of Canada, *An Act Respecting Immigration and Immigrants*. First Parliament: Second Session, Chapter 10, Victoria, 1869, pp. 32-46.

restrictions took a different form in 1885, when the Chinese Immigration Act imposed a "head tax" on prospective Chinese immigrants. This Act was updated several times, and only set aside in 1947. In 1907 and 1908, measures were taken to limit immigration from Japan and India.[2] In effect, until 1962, there was some form of restriction on the arrival of immigrants from places other than Europe and the United States.

In other regards, the policy has attempted to promote immigration. For example, the Free Grants and Homestead Act of 1868 was designed to help settle Western Canada. In subsequent years, numerous efforts were made to encourage agriculturalists to emigrate to Canada, including aggressive recruitment in the United Kingdom and Europe. Many of the arrivals during the first wave of 1895 to 1914 were, in fact, recruited to provide unskilled labour for early Canadian industrial development.[3]

During what might be termed an "interlude" between the two waves, various forms of restrictions were used to discourage immigrants. The Act of 1910 allowed the Governor-in-Council to introduce regulations on the volume, ethnic origin, or occupational composition of the immigrant flow. While restrictions were lifted in the 1920's, in 1933 various categories of immigration were deleted, and even British subjects were discouraged.[4] Whenever immigration was favoured, persons from Britain and the United States were the most welcome. Northern Europeans were relatively well received, while other Europeans were accepted if no one else was available. Non-whites were not welcome.[5]

Following the Second World War, there was considerable uncertainty regarding the appropriate direction for future immigration. In 1944, the Quebec Legislative Assembly indicated its opposition to mass immigration; many argued that priorities should concentrate on the integration of returning soldiers. Others were concerned that Canada might return to the economic situation of the 1930's, for which immigration would be inappropriate. On the other side, arguments were made that Canada could raise its international stature by helping to rescue persons displaced by the war in Europe.[6] In addition, a report to the deputy minister responsible for immigration concluded that a larger population made sense from an economic point of view.[7]

---

[2] Avery, D., *Canadian Immigration Policy and the "Foreign Navy"*, Canadian Historical Association Historical Papers, 1972.

[3] Beaujot, Roderic and Kevin McQuillan, *Growth and Dualism*, Gage, Toronto, 1982, pp. 79-81.

[4] Corbett, D.C., *Canada's Immigration Policy: A Critique*, University of Toronto Press, Toronto, 1957, p.7. Cashmore, E., The Social Organization of Canadian Immigration Law, *Canadian Journal of Sociology*, Vol. 3, 1978, p. 418.

[5] Manpower and Immigration, *The Immigration Program*, Information Canada, Ottawa, 1974, p. 17.

[6] Angus, H.F., The Future of Immigration into Canada, *Canadian Journal of Economics and Political Science*, Vol. 12, No. 3, 1946.

[7] Timlin, M.F., *Does Canada Need More People?* Oxford University Press, Toronto, 1951.

In May, 1947, then Prime Minister William Lyon MacKenzie King set out the government's policy on immigration in a frequently quoted statement that involved a careful compromise between these divergent concerns. King called for immigration as a support for higher population growth, but cautioned that such immigration should not be in excess of the number that could be advantageously absorbed. While he recognized the obligation to humanity to help those in distress, he clearly indicated that he would not support a massive arrival that would alter the "character of our population". The "character of our population" could mean various things, but it obviously included a desire to continue receiving immigrants mainly from the traditional sources. An important administrative procedure, which was used to admit immigrants, involved the widening of eligibility for "sponsored relatives". This was an interesting political solution, since those who had argued for restricted entries could hardly oppose the arrival of relatives. This also assured that immigrants would largely be from the traditional, "preferred" sources — those who already had relatives in Canada.

The 1953 Immigration Act allowed the Governor-in-Council to prohibit the entry of immigrants for a variety of reasons, including nationality, ethnic group, and "peculiar customs, habits, modes of life or methods of holding property". In effect, preference was given to persons of British birth, together with those from France and the United States. Second preference went to persons from Western European countries — if they had the required economic qualifications. Persons from other countries could not enter unless sponsored by a close relative. A small exception involved an arrangement, in force between 1951 and 1962, which allowed for selected arrivals from Asian Commonwealth countries.[8] However, very low limits were set: a combined total of three hundred people per year from India, Pakistan and Sri Lanka.

The question of discrimination on the basis of place of origin became a concern in the government of Canada in the early 1960's, and consequently the national origin restrictions to immigration were officially lifted in 1962. It was in 1967 that a "points system" for the selection of independent immigrants was established. This reinforced the non-discriminatory aspects of immigration policy, by clearly outlining the "education, training, skills and other special qualifications" under which immigrants were to be selected. The policy of multiculturalism, promulgated in 1971, underlined an open attitude among Canadians to the arrival of immigrants from various parts of the world.

Immigration policy was subjected to a thorough review in the period from 1973 to 1975, culminating in the 1976 Immigration Act, which took effect in 1978.[9] The main change introduced by the new Act was the formulation of

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[8] Hawkins, F., *Canada and Immigration: Public Policy and Public Concern*, McGill-Queen's University Press, Montreal, 1972, p. 99.

[9] Manpower and Immigration, *Immigration Policy Perspectives*, Information Canada, Ottawa, 1974.

a target level for immigration, to be set by the Minister responsible for immigration, on an annual basis. This level is to be determined after consultation with the provinces concerning regional demographic needs and labour market considerations, and after consultation with such other persons, organizations and institutions as the Minister deems appropriate. It is an indication of the importance placed on immigration, that the Act requires an annual "statement to parliament" on the government's goals with respect to immigration. Other changes introduced in the regulations following the Act involved adjustments to the point system, giving more emphasis to technical training and occupational demand in Canada, and slightly less weight to general education, in the selection of immigrants.[10] In other regards, the Act reinforced It explicitly affirmed the fundamental objectives of Canadian immigration laws, including family reunification, non-discrimination, concern for refugees and the promotion of Canada's demographic, economic and cultural goals.

This brief history of policy indicates that there have been considerable shifts in the admissibility of immigrants. In general, there have been more people who have wanted to come to Canada than deemed desirable, and thus there has been a need to regulate arrivals, and to select those seen as best suited to evolving conditions. In the first wave, agriculturalists were sought to help settle Western Canada, while at the same time, business interests were looking for unskilled labour. The second wave involved an attempt to bring in persons with specialized skills to contribute to the urban-industrial expansion of the post-war era. In neither case was this selection particularly successful, in the sense that the actual economic activities of immigrants, once in Canada, often diverged considerably from their intended occupations.[11]

History of immigrant arrivals

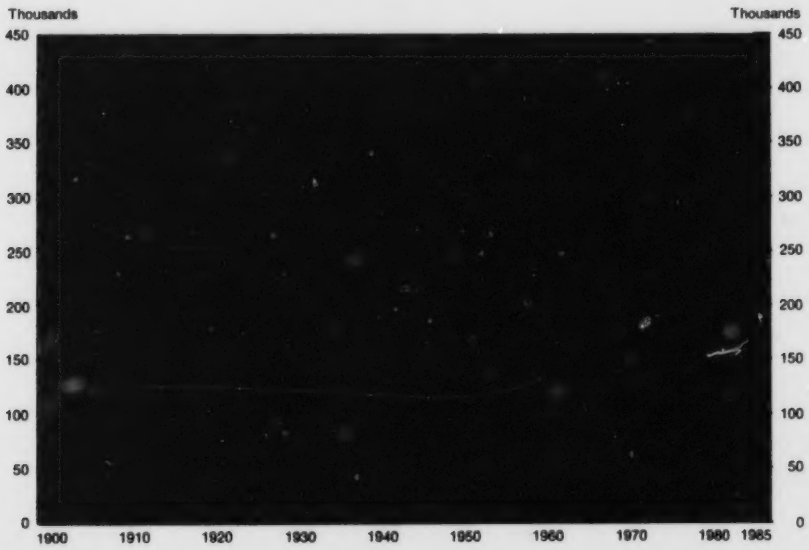
The changes in official attitudes to immigration are also visible in the variations in the annual intake of immigrants (Figure 1). The highest year on record is 1913, with 400,000 recorded arrivals. In comparison, the figures for 1933 to 1943 were all below 20,000 per year. In the more recent period, there was a high of 218,000 in 1974, and a low of 86,000 in 1978.

As a result of changes in immigration regulations since 1962, the origins of immigrants have changed markedly, as is demonstrated in Figure 2. Thus, the proportion of immigrants who arrived from countries other than Europe and the United States was 7.9 percent in 1956 to 1962, but rose to 59.7 percent in 1977 to 1984 (Figure 3). As another example, the arrivals from Asian countries amounted to 4.3 percent of the total in 1956 to 1962, but increased

[10] Employment and Immigration, *The Revised Selection Criteria for Independent Immigrants*, Employment and Immigration, 1985.

[11] McInnis, R.M., *A Functional View of Canadian Immigration*, Paper presented at the annual meetings of the Population Association of America, April, 1980, Denver.

Figure 1
Number of Immigrants by Calendar Year, Canada, 1900-1985



Source: Employment and Immigration Canada, Annual Reports.

to 40.4 percent in the period 1977 to 1984. Consequently, the proportion of immigrants from Europe declined from 83.8 to 31.8 percent of the total.

As indicated, not all immigrants are admitted under the same criteria. The 1976 Act specifies three classes of immigrants. The "family class" consists of close relatives of permanent residents of Canada. Such immigrants are not assessed under the points system, and their sponsoring relatives agree to provide them with lodging and care for up to 10 years. The category of "independent and other immigrants" includes individuals who must meet all the criteria for admission. Within this group, "assisted relatives" are people other than those of the family class, who have kin in Canada willing to support them for up to five years, and who receive points because of this. Notwithstanding such support, the occupational skills of such potential immigrants must be in demand.

During the period from 1961 to 1970, the proportion of independent immigrants amounted to 62.7 percent of the total. Between 1971 and 1981, the totals by immigration category were: 33.9 percent family class; 37.8 per-

Figure 2
Immigration Streams According to Region of Last Residence, Canada, 1956-60 and 1981-85

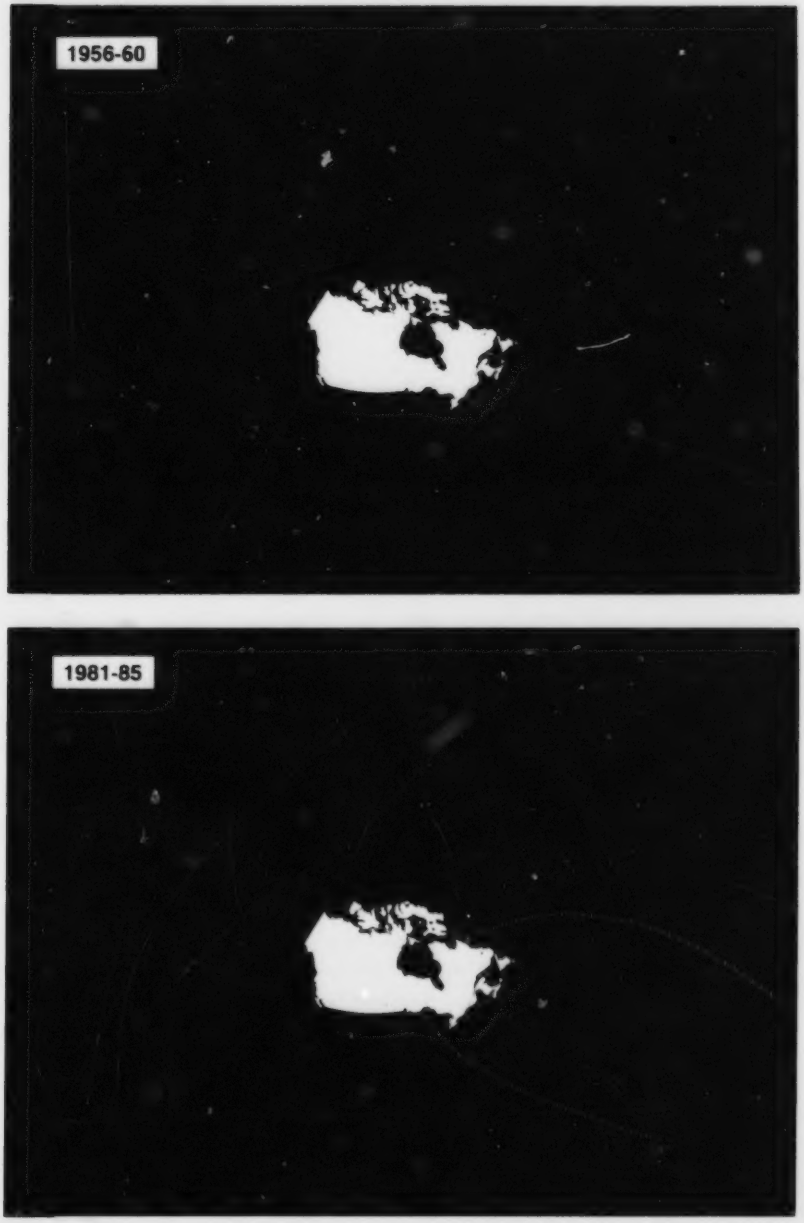
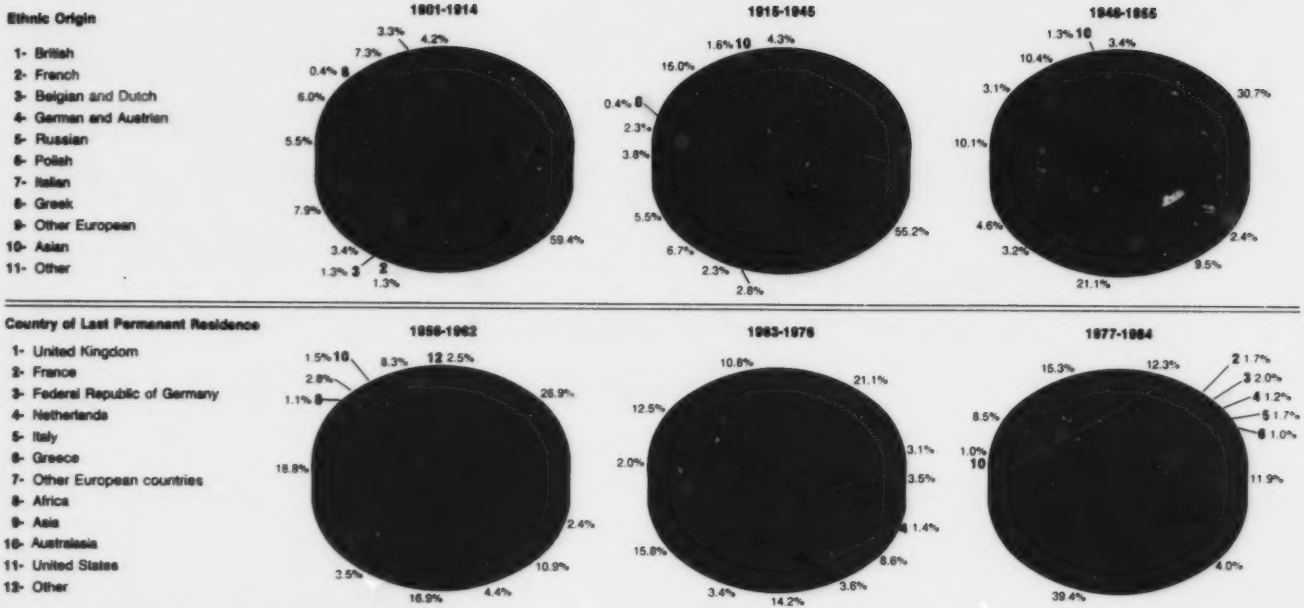


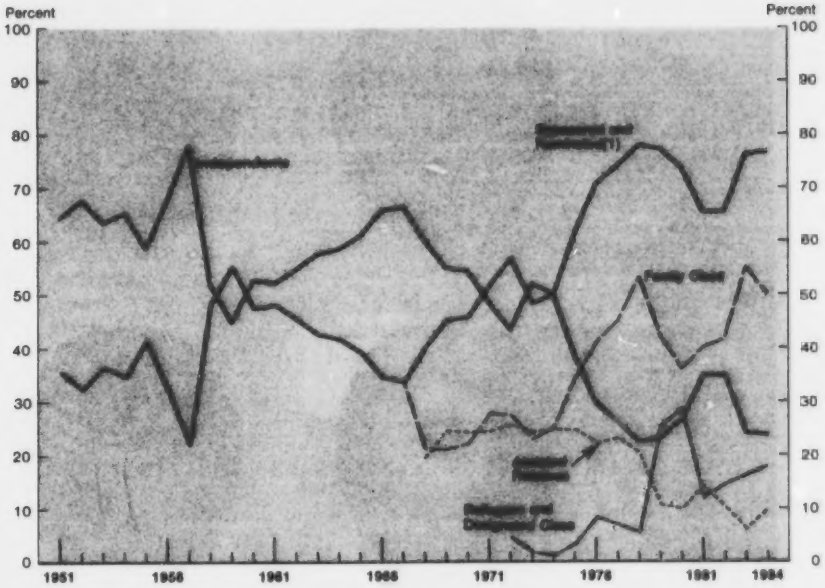
Figure 3

Distribution of Immigrants by Origin, Canada, 1901-1984



Source: Employment and Immigration Canada, Annual Reports.

Figure 4
Distribution of Immigrants by Class, Canada, 1951-1984

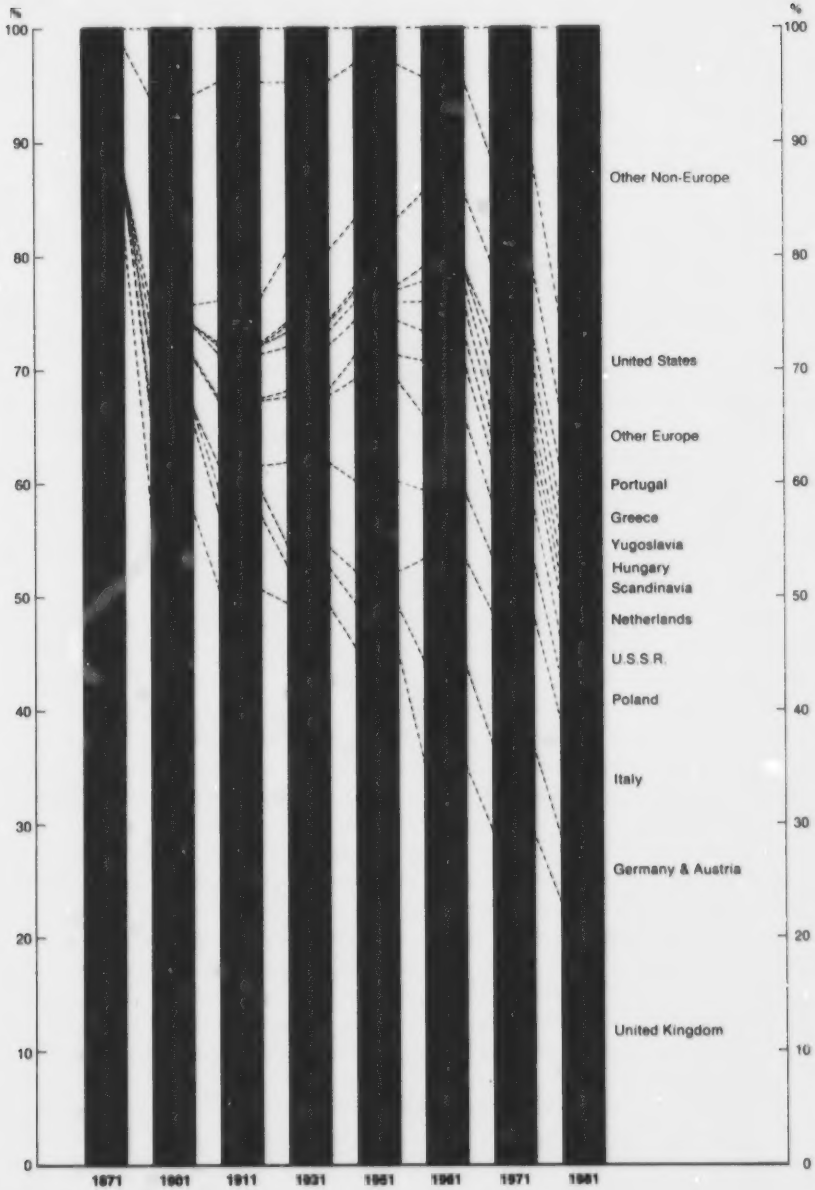


(1) Includes Family Class, Assisted Relatives, Refugees and Designated Class.
Source: Employment and Immigration Canada.

cent independent immigrants; 20.5 percent assisted relatives, and; 7.7 percent refugees. The annual number of refugees is not available for earlier years (Figure 4). It is estimated, however, that the total number of refugees in the post-war era was approximately 400,000, which represented 8.3 percent of all immigrant arrivals. Refugees probably represent an even larger proportion of the resident immigrant population because they are less likely to return to their place of origin, or re-emigrate to other countries.

In summary, immigrants are now selected from a wider pool of potential immigrants than before, and the criteria for selection have varied considerably over time. Earlier selection was mostly based on ethnic criteria, while lately it has been heavily based on economic criteria. However, in the later period, the number of persons arriving as "sponsored relatives", and in the "family class", has been large, and thus not all immigrants are selected on economic criteria. Consequently, there is considerable diversity among immigrants in both ethnic and economic terms. Stated differently, the recent arrivals to Canada form an "immigrant mosaic".

Figure 5
Distribution of the Foreign-born Population by Place of Birth, Canada, 1871-1981



Source: Statistics Canada, 1981 Census.

Place of birth of the resident population

In its annual publication entitled *Immigration Statistics*, Employment and Immigration Canada currently lists a total of 178 countries of origin. Figure 5 shows the place of birth for the foreign-born population enumerated in the various censuses since 1871. The percent of foreign-born persons from the United Kingdom has declined from a clear majority (57.9 percent) in 1901, to less than a quarter (23.0 percent) in 1981. The proportion from countries other than Europe and the United States was only 5.9 percent in 1901, and 4.3 percent in 1961, but reached 25.1 percent in 1981.

Table 3 presents the absolute number of immigrants enumerated in the 1981 Census, by place of origin, for 72 countries or groups of countries of birth. The following place of origin groups are among the largest: Western Europeans at 1,112,865 (including 878,980 from the United Kingdom); Central Europeans at 495,035; Southern Europeans at 728,205 (including 384,780 from Italy), and; Asians at 540,795. The total number who were born outside of Europe and the United States amounts to 962,760. In 1971, persons born outside of Europe and the United States numbered only 368,000 in total, thus having increased by 162 percent in one decade. Nonetheless, immigrants from places other than Europe and the United States constituted only 25 percent of all immigrants enumerated in the 1981 Census.

Models of migrant economic adaptation

Before looking at data on immigrant income, it is worth noting that there are a number of possible ways of thinking of the economic situations, and the process of adaptation, of immigrants. Richmond has elaborated six models, which are reproduced here in Figure 6. The dots on the graphs show where the immigrants are thought to be concentrated in the status hierarchy, while the arrows show the directions of movement after their arrival. The "assimilation" model, represented first, is a portrayal of the traditional conception of immigration, at least in North America. At the time of their arrival, immigrants are thought to be concentrated at the bottom of the hierarchy. They initially take positions that the Canadian-born population do not want. Subsequently, they move up in status, at least from one generation to the next. In the "Marxist class conflict" model, it is proposed that class relations will prevent migrants from moving up the hierarchy, thus they will be a permanent "reserve army" of labour, and have lower level occupational status. Alternatively, in the "colonial domination" model, it is proposed that a migratory elite, who are at the top of the hierarchy, controls the indigenous labour force.

The first three models are rather simplistic or "idealistic", while those that follow attempt to represent a more complex reality. In the "structural pluralism" model, it is proposed that immigrants come in not only at the bottom as in the assimilation and class conflict models, and not only at the

Table 3. Immigrant Population by Place of Birth, Canada, 1981

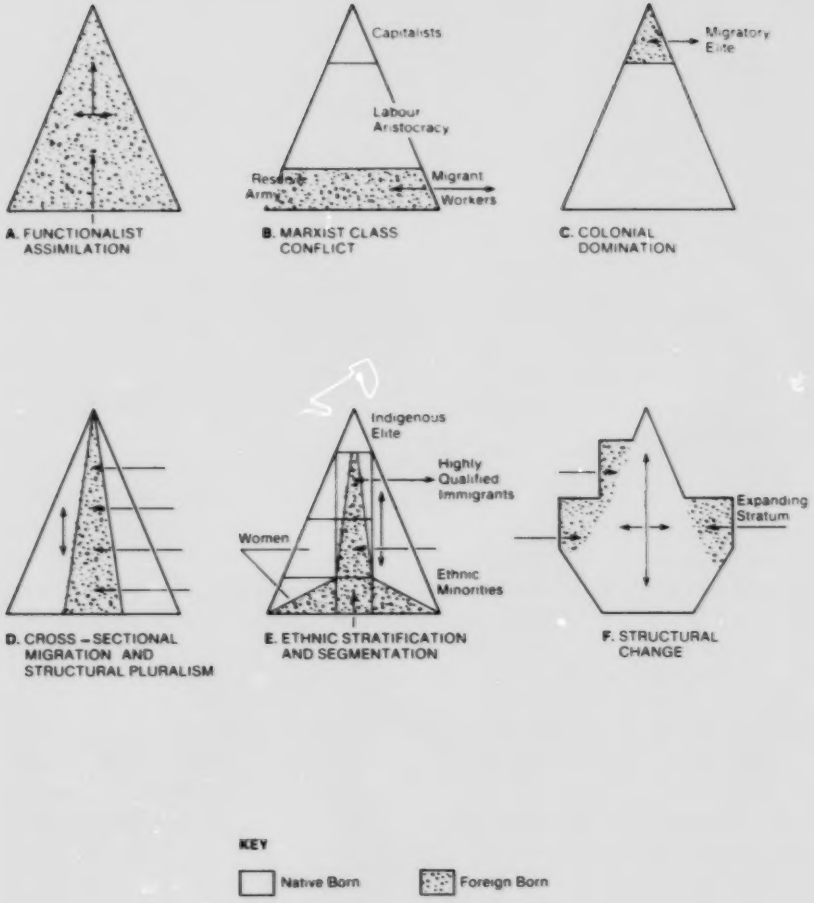
Place of Birth[1]	Number	Percent	Place of Birth[1]	Number	Percent
Total	3,827,515	100.0			
			Africa	101,750	2.7
United States	301,525	7.9	Western Africa	4,545	0.1
Caribbean	173,230	4.5	Eastern Africa	34,245	0.9
Barbados	14,250	0.4	Kenya	9,145	0.2
Haiti	26,755	0.7	Tanzania	11,415	0.3
Jamaica	77,950	2.0	Other	13,680	0.4
Trinidad and Tobago	38,470	1.0			
Other	15,805	0.4	North Africa	38,735	1.0
			Egypt	21,800	0.6
S. & C. America	106,865	2.8	Morocco	11,830	0.3
Argentina	7,210	0.2	Other	5,110	0.1
Brazil	4,265	0.1			
Chile	15,260	0.4	Central Africa	1,045	0.0
Ecuador	5,800	0.2			
Guyana	37,975	1.0	Southern Africa	23,180	0.6
Mexico	10,980	0.3	Republic of South Africa	15,760	0.4
Other	25,375	0.7	Other	7,420	0.2
United Kingdom	878,980	23.0	East Asia	195,460	5.1
			Hong Kong	58,710	1.5
Other Western Europe	233,885	6.1	Japan	11,595	0.3
Belgium	24,980	0.6	South Korea	10,050	0.3
France	53,765	1.4	People's Republic of China	52,155	1.4
Irish Republic	16,720	0.4	Taiwan	54,015	1.4
Netherlands	138,410	3.6	Other	8,930	0.2
Central Europe	495,035	12.9	South Asia	130,010	3.4
Austria	34,210	0.9	India	109,165	2.8
Czechoslovakia	41,600	1.1	Pakistan	15,065	0.4
East Germany	34,120	0.9	Sri Lanka	4,170	0.1
West Germany	155,260	4.1	Other	1,615	0.0
Hungary	64,640	1.7			
Poland	148,540	3.9	Southeast Asia	152,165	4.0
Switzerland	16,665	0.4	Kampuchea (Cambodia)	5,595	0.1
Eastern Europe	152,735	4.0	Laos	8,850	0.2
Romania	24,310	0.6	Philippines	66,345	1.7
U.S.S.R.	128,420	3.4	Vietnam	50,640	1.3
			Other	20,730	0.5
Northern Europe	74,390	1.9			
Denmark	26,255	0.7	Western Asia	63,160	1.6
Finland	21,615	0.6	Israel	11,140	0.3
Norway	11,470	0.3	Lebanon	22,430	0.6
Sweden	10,610	0.3	Turkey	8,775	0.2
Other Europe	4,445	0.1	Other	20,815	0.5
Southern Europe	728,205	19.0	Oceania	32,995	0.9
Greece	89,360	2.3	Australia	14,425	0.4
Italy	384,780	10.0	Fiji	10,095	0.3
Malta	10,545	0.3	Other	8,475	0.2
Portugal	139,180	3.6			
Spain	12,735	0.3	Other	7,125	0.2
Yugoslavia	91,610	2.4			

[1] For people born outside Canada, Place of Birth refers to the specific country of birth according to boundaries at the census date.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Figure 6

Models of Economic Adaptation of Immigrants



Source: Richmond, Anthony H. and Jerzy Zubrzycki, **Immigrants in Canada and Australia; Vol. II, Economic Adaptation**, York University: Institute for Behavioural Research, 1984, p. 2.

(C) A. H. Richmond 1979, re-printed with permission.

top as in the case of the colonial domination model, but also at various levels in the hierarchy. Further, in the ethnic "stratification and segmentation" model, it is proposed that the labour market is segmented. While immigrants can enter at various levels in the hierarchy, except at the very top, there are certain forces (for instance specialization or discrimination) that push them to stay within given niches. These niches may correspond to specific ethnic minorities which occupy specific sectors of the labour market. Within these enclaves, there is the possibility of upward occupational mobility. Finally, in the "structural change" model, it is proposed that immigrants primarily enter expanding occupational sectors. This implies that the selection criteria for immigrants should be specifically aimed at ensuring that there is an adequate supply of labour for the expanding sectors. The economic success of immigrants will depend on where these expanding sectors are located, relative to the overall hierarchy.

It is clear that there is no single theoretical framework that will allow a complete analysis of the economic adaptation of immigrants. The assumption that immigrants only enter the economic system at its lower echelons is implied only in the first two models. When immigrants do enter at low levels, it becomes important to study the extent to which they assimilate, and thus come to resemble, the Canadian-born population.[12] That is, it is important to determine which of the first two models is most applicable. If immigrants do not arrive at the bottom, then it is hard to think in these terms. In analyzing data from the 1971 Census, Richmond noted that the economic status of the foreign-born population was often higher than that of the Canadian-born population. He suggested that we were seeing "reverse-assimilation"; that is, the Canadian-born population coming to display the characteristics of the foreign-born.[13] However, it is difficult to justify the use of the concept "assimilation" in this fashion. It would be better to think in terms of an alternative model.

The idea of assimilation, however, may still apply within given occupational sectors. That is, immigrants may experience an initial disadvantage. For instance, their educational qualifications may not be totally recognized because of language difficulties. Over time, and with more local experience and education, the immigrants may come to have an opportunity schedule which resembles that of the Canadian-born population with a similar educational background. Again, as happens to most new entrants to the labour force, the lower seniority of immigrants in a given enterprise may mean that they would be the first to be released if the enterprise had to cut-back in times of recession. Therefore, questions of relative assimilation, over time, may still be relevant, even if immigrants do not all arrive at the bottom of the hierarchy.

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[12] Park, Robert R., *Race and Culture*, The Free Press, Glencoe, 1950.

[13] Richmond, Anthony H., *Comparative Studies in the Economic Adaptation of Immigrants in Canada*, Institute for Behavioural Research, York University, Downsview, Ontario, 1982.

The advantage of the last two models lies in the recognition of the possibility that immigrants may be concentrated in specific sectors. That is, labour markets are segregated and, in part, immigrants may come to occupy particular "niches", with their corresponding avenues of mobility. These niches may become specialized in terms of the specific areas of origin of certain immigrant groups. The concept of a segmented labour market is often used to explain the differential economic success of men and women in the labour force. Immigrant women, especially if they come as "family class" and lack language abilities, may tend to occupy a niche in the lower levels of the hierarchy.

These notions of ethnic stratification and segmentation are similar to Porter's conception of a "vertical mosaic".[14] That is, different groups have different limitations and advantages in the pursuit of social mobility. According to this conception, there is a persistence of ethnicity as a basis of social differentiation. A recent study of social mobility in Canada has concluded that the educational system has enabled Canadians who are members of ethnic minority groups to overcome the disadvantages of their background, and thus the vertical mosaic has collapsed.[15] However, segmentation may still exist for the newest arrivals to Canada. They may even use ethnic association as a source of mobility within a given segment of the labour market. It is said that Cubans in the United States have used ethnic association as a source of mobility within certain industrial sectors that they have come to dominate in specific locations.[16] Ethnic segmentation in the labour market may especially apply to populations that differ with respect to linguistic, cultural or racial characteristics.[17] That is, certain groups may encounter more prejudice and discrimination.[18] Or, specific historical circumstances may influence the distribution of immigrants across segmented labour markets.[19] This may include government policies that direct immigrant labour into certain sectors.[20]

This discussion of models of immigrant adaptation makes it clear that the reality is complex, more complex than any one model can completely portray. When one adds to this the fact that Canadian immigrants are a diverse group, it becomes clear that no one point of view is likely to be able to portray adequately the process of their economic adaptation.

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[14] Porter, J., *The Vertical Mosaic,* University of Toronto Press, Toronto, 1965.

[15] Boyd, M. et al., *Ascription and Achievement: Studies in Mobility and Status Attainment in Canada,* Carleton University Press, Ottawa, 1985.

[16] Portes, Alejandro and Robert L. Bach, Immigrant Earnings: Cuban and Mexican Immigrants in the U.S., *International Migration Review,* Vol. 14, No. 3, Fall, 1980.

[17] Verma, Ravi B.P., Incomes of Asian Indians in Canada, *Population Review,* Vol. 29, Nos. 1&2, 1985.

[18] Stewart, James B. and Thomas Hychak, Ethnicity and Economic Opportunity, *American Journal of Economics and Sociology,* Vol. 38, No. 3, July, 1979.

[19] Tracy, Constance Lever, Labour Market Segmentation and Diverging Migrant Incomes, *Australian and New Zealand Journal of Sociology,* Vol. 17, No. 2, July, 1981.

[20] Boyd, M. et al., *Ascription and Achievement: Studies in Mobility and Status Attainment in Canada,* Carleton University Press, Ottawa, 1985.

Past research on immigrants' income

This section presents a brief review of the studies on the relative income of immigrants using both census data, and survey data relating to specific immigrant groups.

The census analytic study on immigration based on 1961 Census data[21], found important differences between pre-war and post-war immigrants. Men who arrived before 1946 had higher incomes than men born in Canada, while post-war immigrants had lower incomes. Average incomes for women in both groups of immigrants were below those for women who were born in Canada. This study found that male immigrants had average incomes below those of their Canadian-born counterparts only during the first five years after their arrival. Overall, the level of income of the Canadian-born and foreign-born populations was quite similar. The median income of foreign-born males was 2.2 percent above that for Canadian-born males; for females, the median for the foreign-born group was 5.0 percent below that of their Canadian-born counterparts.

In another study of a sample of 478 post-war immigrants in 1961, it was concluded that, on the whole, those who had been in Canada for three years or less had lower incomes than the Canadian average, but those who had been here for six or more years had higher incomes.[22] Two ethnic groups of immigrants were compared, and it was found that immigrants from the United Kingdom did better than the "others". Post-war, female immigrants had incomes which exceeded those of women born in Canada. In fact, the higher participation of immigrant wives in the labour force helped to maintain immigrant family income on a level close to that of all Canadians. Education was a key variable in immigrant adaptation, having had positive effects on occupational achievement and income.

An extensive analysis of the economic adaptation of immigrants has been presented in an analytic study based on 1971 Census data.[23] In one interesting section, the situation of immigrants who arrived between 1946 and 1960 was analyzed both as of 1961 and 1971. The median income was lower in 1961 for the post-war immigrants than for the Canadian-born population in each age cohort except those aged 15-24. However, the immigrants progressed more than did the Canadian-born population during the intervening decade, and by 1971, most age-sex cohorts had reversed their positions. That is, except for

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[21] Kalbach, W.E., *The Impact of Immigration on Canada's Population*, 1961 Census Monograph, The Queen's Printer, Ottawa, 1970, p. 287.

[22] Richmond, Anthony H., The Standard of Living of Post-war Immigrants in Canada, *The Canadian Review of Sociology and Anthropology*, Vol. 2, No. 1, February 1965. Richmond, Anthony H., *Post-war Immigrants in Canada*, University of Toronto Press, Toronto, 1967.

[23] Richmond, Anthony H. and Warren E. Kalbach, *Factors in the Adjustment of Immigrants and Their Descendants*, Statistics Canada, Ottawa, 1980.

one male and two female cohorts, the post-war immigrants in 1971 had higher median incomes than did the Canadian-born population. When specific birthplace groups of immigrants were examined for this period, it was found that variation in income had declined, but the seven groups analyzed retained roughly the same relative positions on the income scale. When the entire foreign-born group was compared to the Canadian-born group, the data from the 1971 Census showed that immigrants had higher incomes. On average, the total income of foreign-born men was 7.9 percent above that of Canadian-born men. Immigrant women's income was 0.7 percent above that of their Canadian-born counterparts. Further analysis showed that the tendency for the post-war immigrants to gravitate to the larger urban centres, where incomes are higher, goes a long way toward explaining their higher incomes overall. Also, immigrants were more heavily concentrated at working ages.

The authors of the 1971 Census monograph emphasized the overall similarity between Canadian-born and foreign-born groups with respect to employment earnings, particularly when age was taken into account. However, within the foreign-born group, there was considerable variability: those from the United States and the United Kingdom had higher incomes, on average, while those from Italy, Southern Europe and Asia had lower incomes.

An extensive study of the relative situation of immigrants, in comparison to the Canadian-born population, was undertaken in the context of the 1973 Canada Mobility Survey.[24] The overall occupational status of the Canadian-born and foreign-born populations was similar. However, this should be seen in the context that foreign-born men had a slightly higher socio-economic background, as measured by father's occupation and education, than did Canadian-born men. In addition, the immigrants had achieved higher levels of education themselves. An analysis of the differential role of education, based on age at arrival, supports the view that foreign-born males experienced a disadvantage in occupational attainment because of problems in obtaining recognition for educational skills acquired elsewhere.

The overall differences by birthplace groups led the author to make the following observation:

> "... it is difficult to ignore the pattern of inequalities which clearly show that birthplace in the United States, the United Kingdom or Northern or Western European countries confers an occupational advantage compared to birthplace in Southern and Eastern European countries. This pattern not only parallels historical sentiment on the cultural desirability of national origin groups; it also suggests the persistence over time of the resultant structure of occupational stratification."[25]

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[24] Boyd, M., Immigration and Occupational Attainment in Canada, in M. Boyd, et al., *Ascription and Achievement: Studies in Mobility and Status Attainment in Canada*, Carleton University Press, Ottawa, 1985.

[25] *Idem*, p.431.

Further analysis by birthplace groups showed that when differences in relevant background factors (age, sex, schooling, length of residence in Canada) were taken into account, only males born in Great Britain continued to have an occupational status which exceeded that of Canadian-born males. Otherwise, foreign birth disadvantaged males in the attainment of occupational status. The situation of female immigrants was termed a "double negative" in the sense that they suffered drawbacks both as women and as immigrants. Again, this was less relevant for those born in the United States or the United Kingdom.

A few studies have concentrated on the early experiences of immigrants in Canada. The most notable of these involved a study of immigrants who arrived in Canada during the years 1969 to 1971, and who were followed over their first three years.[26] While the average income of these immigrants increased rapidly over this period, it did not reach the Canadian average. In 1972, the income level of the immigrants was 83 percent of the mean for the reference group. Except for those under 20 years of age, immigrants of all age groups earned less than did their Canadian-born counterparts. There were also important variations across groups, with incomes being highest for immigrants from the United States, the United Kingdom and Australia, and lowest for Italian, Greek and Chinese immigrants.

Another study of the early experiences of both the 1969-71 and the 1976 arrivals was conducted.[27] The results indicated large differences in occupational and income attainment among immigrants from the various countries of last permanent residence. The best jobs were obtained by immigrants from the United States, the United Kingdom and Australia, followed by those from Northern and Western Europe and Africa. The least desirable jobs went to immigrants from Southern and Eastern Europe, the Caribbean, Central and South America, China and Hong Kong. It seems that the national origin groups that were the most similar to the Canadian-born population experienced the least difficulty. However, when differences in education, age, year of arrival and occupation before coming to Canada were taken into account, the differences among groups were reduced considerably.

It was concluded, in an analysis of the 1976 arrivals, that there were very real problems of economic adaptation among this group during the first year.[28] Education was found to be an important determinant of successful economic adaptation. However, in spite of the high level of education of Third World immigrants, this group was faced with problems that were more serious than those of immigrants from other countries.

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[26] Manpower and Immigration, *Three Years in Canada*, Information Canada, Ottawa, 1974.
[27] Ornstein, Michael D., *The Work Experience of Immigrants to Canada: 1969-1976*, Institute for Behavioural Research, York University, Downsview, Ontario, 1983.
[28] Ornstein, Michael D. and Raghubar D. Sharma, *Adjustment and Economic Experience of Immigrants in Canada: An Analysis of the 1976 Longitudinal Survey of Immigrants*, Institute for Behavioural Research, York University, Downsview, Ontario, 1983.

It was found in a study of immigrant arrivals of 1979 that, three years later, both men and women were less likely than were Canadian-born men and women to have had incomes over $15,000.[29] Important differences were also evident across the various classes of immigrants. In the third year, 46 percent of the independent immigrants earned over $15,000, compared to 29 percent of assisted relatives, 14 percent of refugees and 12 percent of the family class. Immigrants from Third World countries were found to be the worst off. Further analysis, however, suggested that most of this disadvantage was a function of education and language, rather than of area of origin, per se.

A study of West Indians in Toronto in the early 1970's concluded that there was severe initial downward status dislocation, but by the seventh year of residence in Canada, the majority had been able to either return to their original status position, or to have achieved their expected socio-economic status.[30] According to this study, having a higher education, having a lighter coloured skin, being a longer-term resident in Canada and being a female, were the variables most favourable to successful economic adaptation. A study in which the 1983-84 family class immigrants from the Eastern Caribbean were observed over a one-year period indicated similar initial difficulties entering chosen occupations, even though the immigrants were drawn from high socio-economic status groups in their original countries.[31]

It was concluded, in a survey conducted in Toronto, that after five years in Canada, most groups showed marked upward occupational mobility, but Asians and Blacks had not recovered from their initial dislocation, and even showed a slight decline.[32]

A number of studies have looked at specific refugee groups: the Hungarians, Czechoslovakians, Ugandans, Chileans, Tibetans and Indo-Chinese.[33] The most successful group would appear to be the 1972 Asian expellees from

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[29] Samuel, T.J. and B. Woloski, The Labour Market Experiences of Canadian Immigrants, *International Migration*, Vol. XXIII, No. 2, June, 1985. See also Samuel, T.J., Economic Adaptation of Indochinese Refugees in Canada in D.M. Indra and K. Chan, *Uprooting, Loss and Adaptation: The Settlement of Indochinese Refugees in Canada*. Chan, Kwok B. and Lawrence Lam, Resettlement of Vietnamese-Chinese Refugees in Montreal, Canada: Socio-psychological Problems and Dilemmas, *Canadian Ethnic Studies*, Vol. XV, No. 1, 1983.

[30] Ramcharan, Subhas, The Economic Adaptation of West Indians in Toronto, Canada, *The Canadian Review of Sociology and Anthropology*, Vol. 13, No. 3, August, 1976.

[31] Whyte, Anne V., *The Experience of New Immigrants and Seasonal Farmworkers from the Eastern Caribbean to Canada*, Final Report on Phase 1, Institute for Environmental Studies, University of Toronto, Toronto, 1984.

[32] Richmond, A.H. and J. Goldlust, *Multivariate Analysis of Immigrant Adaptation, 1970*, Institute for Behavioural Research, York University, Downsview, Ontario, 1974.
Lanphier, C. Michael, *A Study of Third-World Immigrants*, Discussion Paper No. 144, Ottawa, 1979.
Richmond, Anthony H., *Comparative Studies in the Economic Adaptation of Immigrants in Canada*, Institute for Behavioural Research, York University, Downsview, Ontario, 1982.

[33] Samuel, T.J., Economic Adaptation of Refugees in Canada: Experience of a Quarter Century, *International Migration*, Vol. XXII, No. 1, 1984.

Uganda who, after one year, had average incomes that exceeded the Canadian average. Possibly those having the most difficulty were the Indo-Chinese. The 60,000 refugees from Vietnam, Kampuchea and Laos, who arrived in 1979 and 1980, are the single largest group of refugees from the Third World.[34] Interviews conducted with this group during their first three years in Canada indicated high labour force participation rates, but also high unemployment and low overall occupational mobility. This is partly because the recession of the early 1980's disproportionately affected new arrivals to the labour force. In 1981 they had an average income that was only 75 percent of that of the Canadian-born population.

In spite of the difficulties encountered by the Indo-Chinese, Samuel concluded his review of the experience of refugees over the last quarter century by saying that, on the whole, they have adjusted well economically, as seen by their employment situation and their income. However, they had difficulties entering their intended occupations.[35]

Before concluding this section, it is worth noting that studies of the income and occupational status of immigrants to the United States indicate that the adaptation period may be longer, south of the border.[36] A possible reason for this longer adjustment period is that a higher proportion of immigrants to the United States are the equivalent of Canada's "Family Class" and "Sponsored Relative" categories. There are also important group differences in the United States: among the more recent arrivals, the Asians and Cubans have been doing well, while the Mexican, Latin American and Caribbean immigrants have not been doing as well.

In concluding this brief review of previous studies, it is clear that most immigrant groups experience initial setbacks, but after varying periods of adjustment, all groups improve their economic position. The income of immigrants as a group is comparable to that of the Canadian-born population. However, it has been found that, while immigrants from "traditional sources"

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[34] Neuwirth, Gertrude, Gilles Grenier, John Devries and Wendy Watkins, *Southeast Asian Refugee Study. A Report on the Three Year Study of the Social and Economic Adaptation of Southeast Asian Refugees to Life in Canada, 1981-1983,* May 1985.

[35] Samuel, T.J., Economic Adaptation of Refugees in Canada: Experience of a Quarter Century, *International Migration,* Vol. XXII, No. 1, 1984.

[36] Chiswick, Barry R., The Economic Progress of Immigrants: Some Apparently Universal Patterns, in Barry R. Chiswick, editor, *The Gateway: U.S. Immigration Issues and Policies,* American Enterprise Institute for Public Policy Research, 1982. See also: Waldinger, Roger, The Occupational and Economic Integration of the New Immigrants, in Richard R. Hofstetter, editor, *U.S. Immigration Policy,* Duke University Press, 1984. Tienda, Marta, Nationality and Income Attainment among Native and Immigrant Hispanic Men in the U.S., *The Sociological Quarterly,* Vol. 24, Spring, 1983.
Portes, Alejandro and Robert L. Bach, Immigrant Earnings: Cuban and Mexican Immigrants in the U.S., *International Migration Review,* Vol. 14, No. 3, Fall, 1980.
US Department of Labor, *Seven Years Later: The Experiences of the 1970 Cohort of Immigrants to the United States,* U.S. Department of Labor, 1979.

achieve parity or exceed the incomes of Canadian-born persons, those from "non-traditional sources" do not do as well.[37]

Objective of this report

The objective of this report is to analyze the 1981 Census data on the income of immigrants, and to use the results as an indication of their economic adaptation in Canada. The last decade has seen a considerable change in the origin of immigrants. A growing proportion of new immigrants come from countries other than Europe, and might be called the "new immigrants" to Canada. These new immigrants come predominately from ethnic groups which were not, as indicated in the above review, doing well economically. Given their larger numbers, the question of their economic adaptation is particularly important. In previous studies, these new immigrants were often treated as a single category of "other origins". Since these immigrants are now relatively more numerous, it is possible to look at a number of separate groups within this category.

Other things have changed since 1971 which might be expected to influence the outcomes. The period 1961-71 only saw the arrival of 28,000 refugees, while in the next decade, they numbered 120,000. As already noted, in the 1960's, some 63 percent of immigrants were "independent", while in the 1970's this figure dropped to 38 percent of all arrivals. In terms of administrative reform, the points system was changed slightly in 1978 to give more weight to specialized training and occupational demand, and slightly less weight to general education in the selection of immigrants. More importantly, attitudes toward immigration have become less clear, with many people arguing that immigrants compete with the "baby-boom" generation for jobs. Earlier, immigration could be seen as compensating for the smaller birth cohorts of the 1930's and of the war years, and also for the lack of skills in the labour force. Once the large, well-educated cohorts from the Canadian baby-boom began to enter the labour force, however, many people may not have felt that continued immigration was necessary.

On the other hand, there have been renewed efforts to ensure non-discrimination on the basis of racial or ethnic origin. This is evidenced by the 1976 Immigration Act, and by the adoption of Multiculturalism as an official policy. These policies may have brought about an improvement in the economic opportunities of minority groups. Also in favour of the immigrants' chances of success is the selectivity of independent immigrants through the points system. They are selected precisely on grounds that should ensure their successful

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[37] Richmond, Anthony H. and Warren E. Kalbach, *Factors in the Adjustment of Immigrants and their Descendants*, Statistics Canada, Ottawa, 1980.
Richmond, Anthony H. and Ravi P. Verma, Income Inequality in Canada: Ethnic and Generational Aspects, *Canadian Studies in Population*, Vol. 5, 1978.
Ryme, Darla, *Generational Differences Between the Canadian Born and Immigrants in Metropolitan Toronto*, Institute for Behavioural Research, York University, Downsview, Ontario, 1982.

integration into the Canadian economy. Since entry into Canada is very competitive, immigrants can be expected to have high achievement orientation. It takes a great deal of motivation to uproot oneself from one's society in order to make a fresh start in another.

In addition to analyzing the overall situation of immigrants, and the variations by place of origin and time of arrival, this study will attempt to identify the main factors that account for variation in income. Variables such as age and education are of course important; past research has shown that more educated immigrants adapt more quickly to a new society. Immigrants' language skills are another important factor that affects their adaptability to Canadian society. Past research has shown that inability to communicate, because of a language barrier, is one of the chief obstructions to full economic integration. This can make it difficult for employers to correctly evaluate the employment potential of immigrants.

This study will use both total income and employment income to measure economic adaptation. Other indicators, such as labour force participation, occupational distribution, the number of weeks worked during the year and low-income cut-off levels, will also be used. Before presenting these economic indicators, Chapter Two will present an overview of the characteristics of immigrants in order to assist the reader in understanding and interpreting the findings on total income, employment income and the incidence of low income.

Data sources and quality

All data used in this study come from the 1981 Census of Canada. Immigration status is determined from three Census questions: place of birth, citizenship, and year of first immigration to Canada (see Appendix A). The citizenship question acts as a filter to direct persons who are not Canadian citizens at birth to the next question, where they were asked to indicate their year of immigration. It should be noted that there were 39,645 persons who were born outside Canada but who were Canadian citizens by birth; that is, born to Canadians while abroad.[38] These persons have been included in the Canadian-born category. Also, there were 15,825 persons who were born in Canada, but were not Canadian citizens at birth, but who became legal immigrants later. For the sake of convenience, these persons have also been included in the Canadian-born category. Consequently, in the tables appearing in subsequent chapters, the term "immigrants" will refer to persons who were born outside Canada, and who were not Canadian citizens at birth.

An analysis of data quality carried out on the questions of birthplace and immigration indicated that there were "no inexplicable abnormalities of significant

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[38] Boxhill, Wally, *Immigrant Adaptation in Canada: A Data Perspective and Commentary*, Housing Family and Social Characteristics Division, Statistics Canada, Ottawa, 1983, p. 3.

proportions".[39] For instance, the non-response rate on place of birth was only 1.3 percent.

The determination of employment income involves three questions based on the 1980 calendar year: (1) wages and salaries, (2) non-farm self-employment income, and (3) farm self-employment income. For total income, the above are added to five other entries on the questionnaire (see Appendix A), plus family allowances, which are calculated on the basis of the number of children in the family. Two further qualifications should be mentioned in defining income as calculated in this study. First, immigrants who arrived during 1980-81 were asked not to report income acquired outside Canada. Thus, the 1979 cohort is the last group that can be studied in terms of census income data. Second, declarations of "no income" in all nine sources of income have been excluded from the calculations of average employment income. Thus, averages are for the population declaring actual incomes, positive or negative.

It is often said that income is among the most sensitive questions, and that there may be considerable falsification in the responses. However, the evaluation that has been made of the Census income data indicates "quite satisfactory reliability".[40] It is difficult to determine non-response, because some sources could have been legitimately left blank, with the respondent neglecting to check the appropriate "yes, no" box. For total income, it was estimated that complete non-response amounted to approximately 5.8 percent of all individuals, with another 1.7 percent providing only partial information. As elsewhere in the census, missing data were imputed on the basis of a "donor record" with similar characteristics. Consequently, 6.6 percent of the aggregate income was imputed. To determine the reliability of the data, comparisons were made at the aggregate level to other estimates from Revenue Canada, the Survey of Consumer Finances and the National Accounts. For Canada as a whole, these comparisons showed remarkable consistency. The greatest difference was that between the Census and the National Accounts regarding wages and salaries, yet the differences showed that the Census total was only 1.6 percent above that of the National Accounts. Comparisons of the incidence of "no income" and of "low income" in the population aged 15 and over with the Survey of Consumer Finances also showed remarkable consistency with census data at the aggregate level. While there are undoubtedly distortions in specific cases, and while no assessment has been made of the relative accuracy of income data for immigrants, the evaluations that have been made indicated that general confidence in the data is justified.

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[39] *op. cit.*

[40] Rashid, A., *Evaluation of 1980 Income Data*, Consumer Income and Expenditure Division, Statistics Canada, Ottawa, August 1983, p. 16,19,23,36.
Podoluk, J.R., *Incomes of Canadians*, 1961 Census Monograph Programme, Queen's Printer, Ottawa, 1968.

Chapter 2: Characteristics of the Immigrant Population

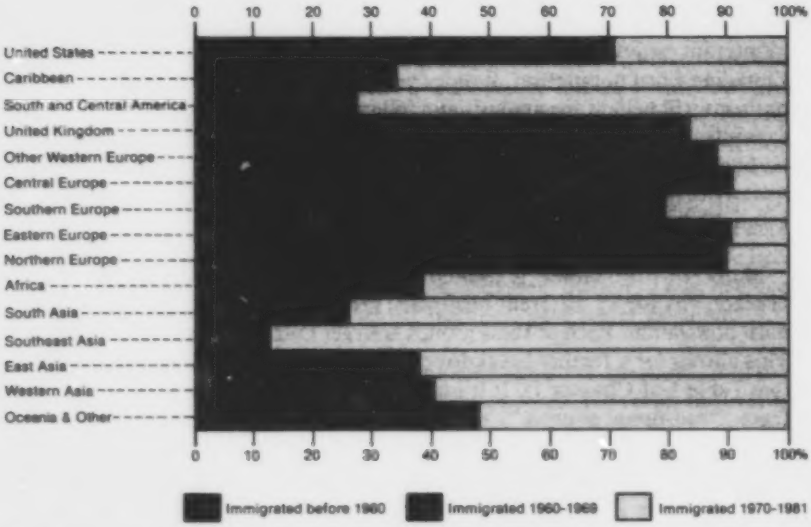
Before turning to the specific questions of income, it is useful to present an overview of the demographic and socio-economic characteristics of the immigrant population, and to compare these characteristics with those of the Canadian-born population. Besides being of interest on their own, such comparisons will help in the analysis and interpretation of income differences. For example, it is useful to know if one group of immigrants is more urbanized, or has more education than another, when attempting to understand the difference in average incomes. In other words, differences in income may be a function of differences in group characteristics.

Many of the tables presented in subsequent chapters show income breakdowns for 15 different birthplace groups, in addition to the Canadian-born population. Each of these groups is larger than 40,000 in total population. This allows for a further breakdown of each group by various characteristics (see Table 3 of Chapter 1). It is important to distinguish between immigrants from "traditional sources", and those from "non-traditional sources"; the latter may be called "new immigrants". There are seven groups of the former type (six European groups plus the United States), and eight of the latter (four Asian groups, Africa, Oceania, the Caribbean plus South and Central America). Table 3 provides the reader with a list of the specific countries that comprise the various birthplace groups. For instance, it is worth noting that Jamaicans comprise 45 percent of the Caribbean group, and that immigrants from Guyana are the largest single component (36 percent) of the very diverse South and Central American group. In the European groups, the United Kingdom is presented separately. Otherwise, the largest groups are from Germany (38 percent) for Central Europe; the Union of Soviet Socialist Republics (84 percent) for Eastern Europe; Italy (53 percent) for Southern Europe, and; the Netherlands (59 percent) for Other Western Europe. For the Asian categories, the largest groups are from Hong Kong (30 percent) and Taiwan (28 percent) for East Asia; India (84 percent) for South Asia; the Philippines (44 percent) and Vietnam (33 percent) for Southeast Asia, and; Lebanon (36 percent) for Western Asia. Finally, the Australians (44 percent) are the largest group from the Oceania region and the Egyptians (21 percent) for Africa.

Length of residence

As a first consideration, it is important to note how the various groups are differentiated with regard to period of immigration (Figure 7). This dimension rather clearly distinguishes traditional-source immigrants from new immigrants. Other things being equal, one would expect groups that have high proportions of recent arrivals, to have lower incomes. Except in the case of those from Southern Europe, more than half of the members of all groups from Europe

Figure 7
Distribution of Immigrants by Period of Arrival According to Place of Birth, Canada, 1981



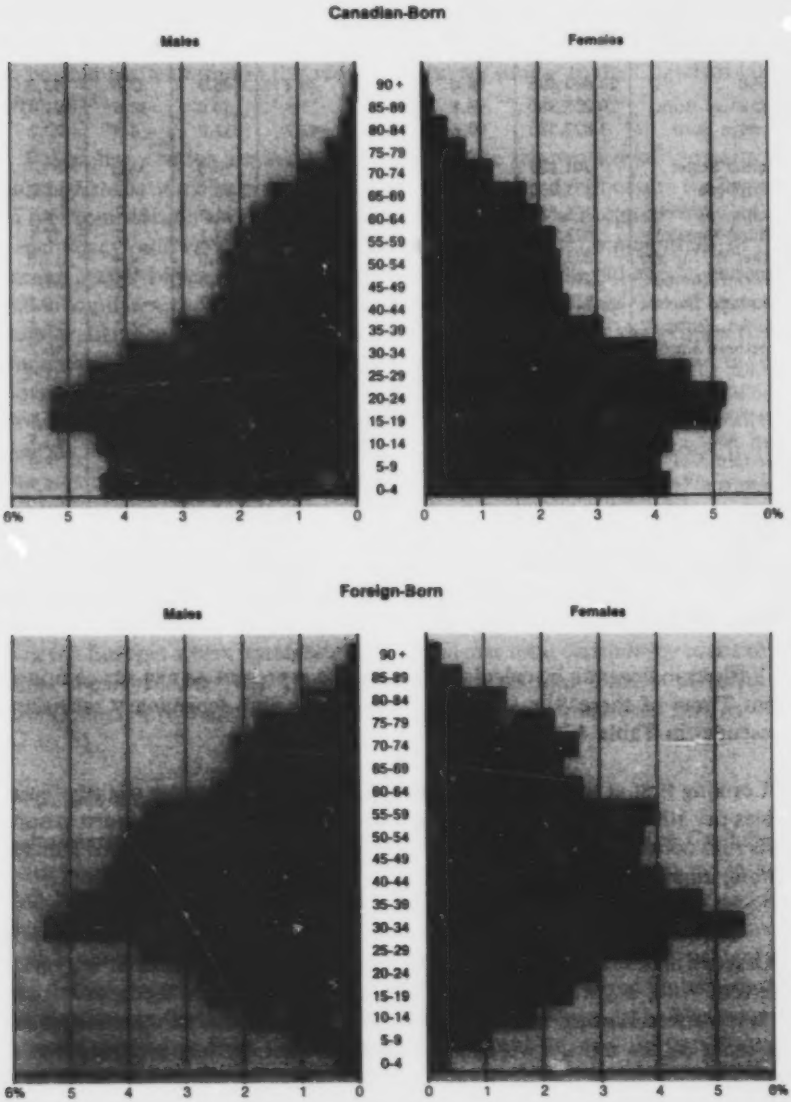
Source: Statistics Canada, Demography Division, 1981 Census.

and the United States arrived before 1960. On the other hand, more than half of the immigrants from Asia, Latin America, Africa and Oceania, arrived in 1970 or later. The extreme cases are Southern Asia, where 87 percent arrived in the last decade, compared to Eastern Europe, where 85 percent arrived before 1960. The only group that is difficult to classify is the Southern Europeans, among whom 40 percent arrived before 1960, and 40 percent arrived during the 1960's. Even so, Southern Europe is classified among the traditional sources countries.

Age and sex composition

The contrast in age composition between immigrants and persons born in Canada is clearly visible in the shape of their respective population pyramids (Figure 8). The immigrant population is represented by an inverted pyramid, indicating a relatively older population, while the Canadian-born population has the usual upright pyramid, indicating a relatively younger population. Since the flow of immigrants has a certain regularity, and since the age structure of immigrants is fairly consistently made up of young adults, the pyramid for immigrants shows a marked bulge at ages 30-39. There are, in addition, very few young children among immigrants.

Figure 8
Age Pyramid of the Canadian-born and Foreign-born Population, Canada, 1981



Source: Statistics Canada, 1981 Census.

Table 4. Sex Ratios, Median Ages and Dependency Ratios by Place of Birth, Canada, 1981

Place of Birth	Total Population	Sex Ratio: Males/ Females	Median Age (Years)		Dependency Ratio[2]		
			Male	Female	Total	Youth	Old-Age
Total	**24,083,495**	**98.6**	**28.9**	**30.1**	**46.3**	**33.0**	**13.3**
Canadian-Born[1]	20,255,980	98.8	26.2	27.5	50.0	38.6	11.4
Foreign-Born	3,827,520	97.6	41.9	42.7	31.0	8.8	22.2
United States	301,525	79.2	38.8	42.6	56.0	18.3	37.7
Caribbean	173,230	81.6	32.3	32.5	18.5	14.3	4.2
S. & C. America	106,855	92.9	29.2	29.6	25.5	21.7	3.8
United Kingdom	878,980	87.3	46.5	51.4	45.1	7.7	37.5
Other W. Europe	233,880	107.4	43.7	44.0	18.0	4.4	13.6
Central Europe	495,035	103.4	51.3	51.6	33.5	3.5	30.1
Southern Europe	728,210	111.1	42.1	41.0	14.7	4.3	10.5
Eastern Europe	152,730	98.9	62.2	63.2	86.7	2.7	84.1
Northern Europe	74,395	116.9	54.0	52.2	50.0	3.8	46.2
Africa	101,750	110.1	33.4	32.5	20.5	15.1	5.4
South Asia	130,010	111.2	34.2	32.1	16.8	11.1	5.7
Southeast Asia	152,160	95.9	26.7	29.9	28.8	25.0	3.8
East Asia	195,455	95.7	35.1	35.9	23.7	10.2	13.5
Western Asia	63,160	121.9	32.2	32.3	23.8	14.9	8.9
Oceania & Other	40,120	95.9	32.5	32.1	25.1	19.2	5.9

[1] Includes 15,825 immigrants who were born in Canada.
[2] The ratio of children aged 0-14 years and persons aged 65 + years to persons aged 15-64 years, multiplied by 100, refer to 'youth' and 'old-age' dependency ratios, respectively.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Various indices can be calculated in order to represent an age-sex composition. Three of these (the sex ratio, median age and dependency ratio) are presented in Table 4.

Looking first at the distribution by sex, we see that there are slightly fewer males per 100 females among immigrants than in the Canadian-born group. This runs counter to historical experience, wherein males outnumbered females among immigrants.

The birthplace groups with more males than females in 1981 were, in descending order of sex ratio: Western Asia; Northern Europe; Southern Asia; Southern Europe; Africa; Other Western Europe, and; Central Europe. In a number of these instances, the more recent arrivals were more equally divided by sex, implying that it is primarily at the beginning of immigration from a given area that males tend to outnumber females. In subsequent periods, in part due to immigration policy encouraging family reunification, there is a more equal distribution. Also, of course, the higher survival rates of females lowers the sex ratio.

A comparison of median age illustrates the extreme diversity among immigrant groups. The median ages are highest for those from Eastern Europe, Northern Europe and Central Europe (medians over 50 years), and lowest for those from South and Central America, and Southeast Asia (medians under 30 years). The median age generally distinguishes the traditional from the new immigrant groups, in the sense that the new groups tend to be younger, and thus in this respect, are more similar to the Canadian-born population.

Dependency ratios are another measure of the relative size of the parts of an age distribution of a population. They are often used to measure the impact of age composition on the livelihood activities of the population. The youth dependency ratio establishes a relation between the relative magnitude of the groups aged 0-14 years, to those aged 15-64 years, while the old-age dependency ratio compares those 65 years and over, to those at ages 15-64. Among immigrants, the youth dependency ratios were highest for the groups from Southeast Asia, South and Central America and Oceania. All these ratios, however, were lower than that which is obtained in the Canadian-born population. The old-age dependency ratios were highest for immigrants from Eastern Europe, Northern Europe, the United Kingdom and the United States. Clearly, the immigrants from traditional sources showed higher proportions at ages 65 and over.

While about half of the immigrant groups showed higher old-age dependency ratios than did the Canadian-born population, all showed lower youth dependency ratios. However, there were only two cases, the United States and Eastern Europe, where immigrants showed higher total dependency ratios than those observed for the Canadian-born population. Stated differently, immigrants have higher proportions at working ages, measured here as ages 15 to 65.

Province of residence

Immigrants are distributed by province differently than is the Canadian-born population (Table 5). There were relatively more immigrants in Ontario and British Columbia, and fewer in the Atlantic Provinces, Quebec and the Prairie Provinces. All immigrant groups, except those born in Oceania, showed higher than expected proportions in Ontario. Altogether, 52.5 percent of immigrants were living in Ontario alone. Two groups showed higher relative proportions in Quebec: groups from Africa and Western Asia. The proportions of the groups from the United States, Central Europe, Eastern Europe, Northern Europe, Oceania and Southeast Asia were disproportionately higher in the Prairies. British Columbia had more than its relative share of all but the following birthplace groups: Caribbean, South and Central America, Southern Europe and Western Asia.

Table 5. Distribution of the Canadian-Born and Foreign-Born Populations by Province of Residence, Place of Birth and Period of Immigration, Canada, 1981

	Province of Residence					
	Total	Atlantic Provinces	Quebec	Ontario	Prairie Provinces	B.C., Yukon, N.W.T.
	(number)	(percentage)				
Place of Birth						
Total	**24,083,500**	**9.2**	**26.4**	**35.4**	**17.4**	**11.6**
Canadian-Born[1]	20,255,980	10.5	28.9	32.2	17.8	10.6
Foreign-Born	3,827,515	2.1	13.6	52.5	15.3	16.5
United States	301,525	8.4	12.8	35.0	23.0	20.8
Caribbean	173,230	0.6	25.3	64.0	6.8	3.3
S. & C. America	106,860	0.4	15.2	60.0	16.0	8.4
United Kingdom	878,980	3.1	4.8	56.2	14.8	21.1
Other W. Europe	233,880	2.1	21.6	46.2	15.4	14.6
Central Europe	495,035	1.3	11.4	50.0	21.7	15.6
Southern Europe	728,205	0.5	20.5	66.0	6.0	7.0
Eastern Europe	152,730	0.4	12.9	48.6	26.7	11.3
Northern Europe	74,400	1.9	4.4	40.6	20.5	32.6
Africa	101,745	1.2	32.1	40.2	13.4	13.1
South Asia	130,010	1.8	8.5	48.5	12.9	28.3
Southeast Asia	152,160	1.5	14.7	41.2	25.2	17.4
East Asia	195,455	0.9	5.7	43.0	16.4	34.0
Western Asia	63,160	2.3	31.0	50.4	10.0	6.3
Oceania & Other	40,120	1.6	6.3	30.4	18.2	43.5
Period of Immigration						
Total	**3,827,515**	**2.1**	**13.6**	**52.5**	**15.3**	**16.5**
Before 1960	1,689,165	2.1	11.6	51.9	17.2	17.2
1960-69	879,430	1.9	16.2	56.3	11.1	14.6
1970-74	574,935	2.2	13.1	55.0	12.4	17.3
1975-79	512,245	2.3	15.7	48.2	17.5	16.2
1980-81	171,740	2.1	15.0	42.9	22.2	17.8

[1] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Size of place of residence

Along with being disproportionately distributed in Ontario, the immigrant population was also more likely to have been in larger cities (Table 6). While the proportion living in cities of 500,000 or more was 36.9 percent for those born in Canada, this proportion was 64.1 percent for the immigrants. The most urbanized groups tended to be those among the new immigrant categories; those born in the Caribbean, East Asia, Africa and Western Asia had more than 80 percent living in the largest cities. On the other hand, immigrants from some of the traditional sources were the least urbanized. Those born in the United States and in the Other Western European countries, for instance, had 26 percent living in rural areas. The data by period of immigration also

Table 6. Distribution of the Canadian-Born and Foreign-Born Populations by Size of Urban Centre, Rural Residence, Place of Birth and Period of Immigration, Canada, 1981

	Total Population	Size of Urban Centre			Rural
		500,000+	100,000-499,999	Under 100,000	
	(number)	(percentage)			
Place of Birth					
Total	**24,083,495**	**41.3**	**10.5**	**23.9**	**24.4**
Canadian-Born[1]	20,255,975	36.9	10.5	25.7	26.8
Foreign-Born	3,827,515	64.1	10.3	14.3	11.3
United States	301,525	38.5	11.4	23.9	26.2
Caribbean	173,230	88.7	4.3	4.5	2.5
South & Central America	106,860	78.8	5.9	7.9	7.4
United Kingdom	878,980	54.2	13.2	19.6	13.0
Other Western Europe	233,880	45.2	8.9	19.6	26.3
Central Europe	495,040	57.5	11.6	15.5	15.5
Southern Europe	728,210	77.2	10.7	8.1	4.0
Eastern Europe	152,730	61.3	11.9	14.6	12.2
Northern Europe	74,390	46.5	12.3	21.5	19.7
Africa	101,750	84.3	4.6	7.3	3.8
South Asia	130,020	74.0	7.0	14.3	4.7
Southeast Asia	152,165	76.8	7.8	12.1	3.3
East Asia	195,455	84.1	6.2	7.3	2.4
Western Asia	63,165	81.7	10.0	5.9	2.4
Oceania & Other	40,125	70.9	6.2	13.1	9.8
Period of Immigration					
Total	**3,827,515**	**64.1**	**10.3**	**14.3**	**11.3**
Before 1960	1,689,170	54.6	12.1	17.9	15.4
1960-69	879,430	69.5	9.9	11.7	8.8
1970-74	574,930	73.2	8.6	10.6	7.5
1975-79	512,240	74.0	7.5	11.2	7.3
1980-81	171,740	70.3	8.4	13.7	7.6

[1] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

point to the fact that the more recent arrivals were more likely to have been living in the larger centres. Other research has shown that immigrants are sensitive to differential economic opportunities in their choice of place of residence. Thus, post-war immigrants have concentrated in the larger cities because of better opportunities in those areas. Also, the sponsored, family class immigrants tend to follow the destinations chosen by those who arrived earlier, thus establishing a form of "chain migration".

It is interesting that, while the new immigrants are more like the Canadian-born population in age distribution, the groups from traditional source regions are more similar with regard to level of urbanization. For the most part, the younger age distribution of the new immigrants would be expected to depress

Table 7. Educational Attainment of the Canadian-Born and Foreign-Born Male Populations Aged 15 Years and Over, by Place of Birth, Canada, 1981

Place of Birth	Population 15+	Educational Attainment			
		Elementary	Secondary	Non-University[1]	University
	(number)	(percentage)			
Canadian-Born[2]	7,393,630	20.0	44.4	21.1	14.5
Foreign-Born	1,757,970	24.2	31.0	25.2	19.6
United States	115,295	18.9	30.8	16.3	34.0
Caribbean	67,660	9.4	39.3	33.9	17.4
S. & C. America	41,805	13.4	35.2	30.2	21.2
United Kingdom	385,430	12.6	39.4	29.1	18.9
Other W. Europe	116,485	17.9	29.0	35.3	17.9
Central Europe	245,115	24.8	25.6	33.2	16.4
Southern Europe	369,615	48.9	27.3	17.0	6.7
Eastern Europe	74,845	43.0	22.5	18.3	16.3
Northern Europe	39,060	29.2	28.5	29.7	12.6
Africa	46,915	4.9	25.8	29.2	40.2
South Asia	62,210	9.3	27.8	20.3	42.5
Southeast Asia	59,145	12.3	32.2	19.9	35.6
East Asia	87,185	17.7	30.2	18.2	34.0
Western Asia	30,745	16.3	34.0	20.3	29.4
Oceania & Other	16,475	7.5	35.5	29.9	27.1

[1] Includes College Diploma, Trade Certificates, etc.
[2] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

their average incomes, with their greater concentration in larger cities having the opposite effect. For immigrants as a whole, their older ages and their greater urban concentration would both be expected to have a positive impact on average income.

Educational attainment

Educational attainment, in this study, refers to the highest grade or level attained by the population aged 15 and over. Persons who were enrolled in an educational institution at census date were required to report the grade or year in which they were registered. It should be noted that many immigrants had not obtained all of their education before arrival. Some immigrants who arrived as children would have obtained all of their education in Canada. Earlier research has indicated that the educational attainment of immigrants was higher than that for the Canadian-born population.[41]

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[41] Rao, G. Lakshmana, Anthony H. Richmond and Jerzy Zubrzycki, *Immigrants in Canada and Australia*, Volume 1, Institute for Behavioural Research, York University, Downsview, Ontario, 1984, p. 93.

For male immigrants, the proportion who had some post-secondary education was about 9 percent higher than that of their Canadian-born counterparts (Table 7). However, immigrants also had about a 4 percent higher proportion with only elementary education. Across birthplace groups, while Northern Europeans showed slightly lower proportions with university education than did the Canadian-born population, Southern Europeans showed the smallest proportion. At the other extreme, the groups from South Asia, Africa, East Asia, United States and Southeast Asia showed twice the proportion with university education when compared with the Canadian-born population. It appears that immigrants from European countries possessed more non-university qualifications, such as technical school diplomas, trade certificates and apprenticeships, than university degrees. In general, while the foreign-born men had an advantage with regard to education when compared with the Canadian-born men, the new immigrants had a particular advantage in terms of university education.

Table 8. Educational Attainment of the Canadian-Born and Foreign-Born Female Populations Aged 15 Years and Over, by Place of Birth, Canada, 1981

Place of Birth	Population 15+	Educational Attainment			
		Elementary	Secondary	Non-University[1]	University
	(number)	(percentage)			
Canadian-Born[2]	7,646,525	18.6	47.5	22.8	11.0
Foreign-Born	1,811,165	29.3	36.5	21.4	12.9
United States	150,930	17.6	35.9	18.9	27.6
Caribbean	84,650	13.0	41.4	35.7	9.9
S. & C. America	46,550	18.6	39.4	29.1	12.9
United Kingdom	447,095	16.0	49.6	24.9	9.6
Other W. Europe	108,765	22.4	38.6	27.2	11.7
Central Europe	237,095	31.4	32.7	26.0	9.9
Southern Europe	331,440	60.7	25.9	9.5	4.1
Eastern Europe	75,720	49.9	25.4	14.1	10.5
Northern Europe	33,450	29.4	34.2	26.3	10.1
Africa	42,080	11.7	35.1	30.4	22.8
South Asia	55,435	22.3	30.9	17.8	29.0
Southeast Asia	63,495	17.4	28.4	18.1	36.1
East Asia	92,145	29.7	32.4	18.7	19.3
Western Asia	24,830	28.4	38.2	17.2	16.2
Oceania & Other	17,490	10.2	39.8	33.6	16.4

[1] Includes College Diploma, Trade Certificates, etc.
[2] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

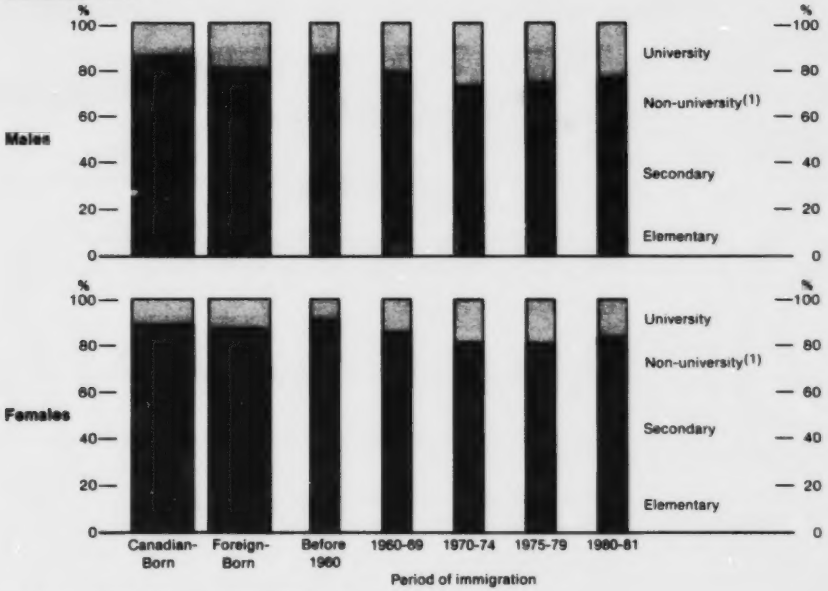
On the whole, foreign-born women did not have the same educational advantages (Table 8) when compared with Canadian-born women. The proportion with university education was slightly higher than that of Canadian-born women, but they had significantly higher proportions with only an elementary education. Some foreign-born groups - those from Asia, Africa, Oceania and the United States - showed significantly higher proportions with university education than did Canadian-born women. At low levels of education, immigrant women from Southern Europe showed the highest percentage with only elementary education (60.7 percent). Thus, in general, immigrant women had less education, but the groups from Asia, Africa, Oceania and the United States had average levels that surpassed those of Canadian-born women.

The distributions by period of arrival largely confirmed the greater selectivity by education for those arriving in the 1970's (Figure 9). However, the most recent groups showed a decline. The periods of highest selectivity with respect to university education were 1970-74 for males, and 1975-79 for females. Tables by both region of birth and period of immigration (not shown in this report), indicated slightly different patterns. For all periods of immigration, the arrivals from Southern Europe showed the highest proportions with only an elementary education, and the lowest proportions with university education. One explanation for this pattern is that Southern European immigrants are more likely to have come to Canada under family sponsorship than as independent immigrants. The percentage with university education for groups from South and Central America, the Caribbean and Africa, decreased after 1960, while Asian groups experienced a similar decrease in the 1970's. This is probably a function of the greater number of "family class" immigrants who arrived in the more recent period. For the Southeast Asian group, the proportion with university education was cut by half between 1975-79 and 1980-81, with the arrival of the Indo-Chinese refugees.

In general, while immigrant males showed higher proportions in the non-university, post-secondary, and university categories than did Canadian-born males, immigrant females showed roughly the same proportions when compared with Canadian-born females. Within the immigrant population, Europeans, with the exception of those from the south and east, showed higher proportions with non-university, post-secondary education, while the Asians showed higher proportions with university education.

The level of education of immigrants is related to their period of immigration. Those who arrived in Canada prior to 1960, in most cases, showed lower educational attainments when compared with those who arrived in the 1970's. Some of the recent groups had less education than those who arrived in the early or mid-1970's. Hence, the contrast between the Canadian-born and the foreign-born populations with respect to educational attainment was stronger in 1971 (as shown by the 1971 Census) than in recent periods. This is also partly

Figure 9
Distribution of the Canadian-born and Foreign-born Population Aged 15 Years and Over by Educational Attainment and Period of Immigration, Canada, 1981



(1) Includes College Diploma, Trade Certificates, etc.
Source: Statistics Canada, 1981 Census.

due to the increase in overall educational attainment by the Canadian-born population in recent years. For instance, it was observed that immigrants who arrived between 1966 and 1971 had about three times the proportion with university education as compared to the Canadian-born population.[42] But 1981 Census data showed that among immigrants, males who arrived during the period 1970-74 had the highest proportion with university education, but exceeded that of Canadian-born males by only 58 percent.

Language

Census data make it possible to study various aspects of the languages of the population. Some information on the language used most often in the home, and on knowledge of official languages, is presented below. Figure 10 shows the selected categories from two detailed tables. The first presents the percentage distribution of knowledge of official languages, and the second, the percentage distribution of use of home language.

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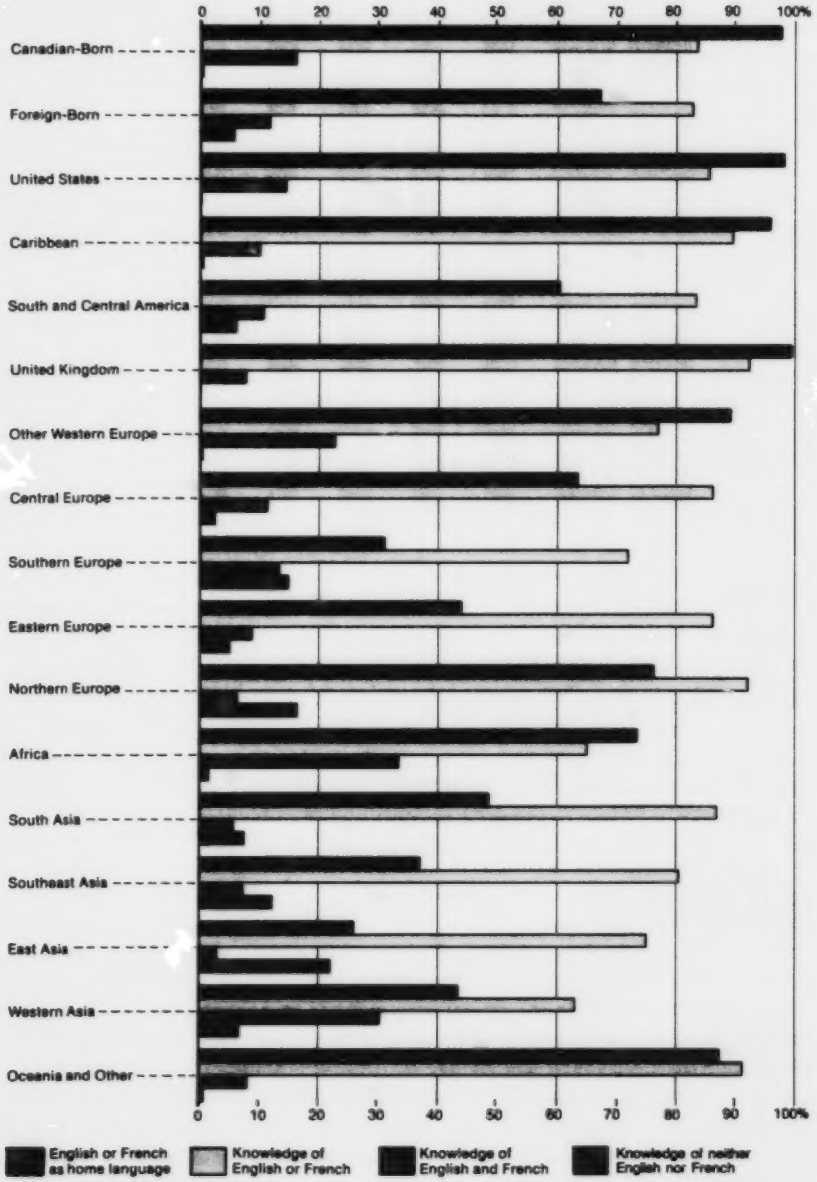
42 George, M.V., *Place of Birth and Citizenship of Canada's Population*, Statistics Canada, Ottawa, 1978, p. 54.

Figure 10
Distribution of the Canadian-born and Foreign-born Population According to Knowledge and Home Use of Official Language(s), Canada, 1981



Source: Statistics Canada, 1981 Census.

While there is a diversity of languages among immigrants, 63 percent use English, and 4 percent use French, at home. Thus, the proportion using a third language at home amounts to 33 percent. Only six percent indicated that they did not know either of the official languages well enough to carry on a conversation.

There is, of course, much diversity by birthplace group. While those from the United States, the United Kingdom and the Caribbean had more than 90 percent speaking English or French at home, those from Southern Europe, Eastern Europe and the four Asian groups had more than half using a third language at home. Use of third languages at home decreased with length of residence, from 57.2 percent for the most recent arrivals, to 24.3 percent for those who arrived before 1960. Among the Canadian-born population, only 2.4 percent use a language other than English or French at home.

The rate of official language (English-French) bilingualism among immigrants stood at 11.6 percent, which is less than the 16.0 percent observed for the Canadian-born population. On the other hand, official language bilingualism is higher for persons born in Other Western Europe, Western Asia and Africa than it is for the Canadian-born population. Particularly low levels of bilingualism, less than half that observed for the Canadian-born population, were seen for persons from the United Kingdom, Northern Europe, South Asia, Southeast Asia and East Asia. For immigrants who arrived since 1960, English-French bilingualism increased with length of residence, from 6.7 percent for the most recent arrivals, to 15.4 percent for those who arrived in the 1960's. In most cases, English-French bilingualism was higher for males than it was for females.

The opposite is true for knowledge of neither official language, where females outnumbered males. The overall proportion who knew neither official language was 5.6 percent for immigrants, compared to 0.4 percent for the Canadian-born population. More than 10 percent of persons born in Southern Europe, Southeast Asia and East Asia knew neither official language. For the 1980-81 immigrant cohort (i.e. immigrants who arrived during the period 1980-81), it was 22 percent. The level declined gradually to 2.5 percent for the pre-1960 immigrant cohorts.

Unlike education, which gave advantages to the new immigrant groups, and length of residence, which gave advantages to those from traditional source countries, most groups were at a disadvantage with respect to official language abilities. As in the case of education, women were more likely to have been in a disadvantaged position.

Labour force participation

The labour force consists of all persons who were employed at the time of the census, or who had a definite arrangement to start working in the next

four weeks, or who were actively looking for work. The labour force participation rate is the percentage of the population aged 15 years and over who are in the labour force. Analysis of the 1971 Census indicated that the foreign-born population, and especially the women among them, were more likely to have been in the labour force than were their Canadian-born counterparts.[43] For the most part, the same pattern held in 1981.

Since labour force participation is strongly related to age, differences in age distribution across groups can affect any comparisons. Hence, the age-adjusted labour force participation rates have been calculated by assuming that each group had the age composition of the total Canadian population enumerated in the 1981 Census. The procedure is described in Appendix B. After age adjustment, both male and female labour force participation rates were higher for immigrants than for Canadian-born males and females (Table 9). The overall differences were small for males (77.8 compared to 79.1) but reasonably large (51.0 compared to 54.6) for females. This may be explained by the fact that independent immigrants are selected on the basis of occupational demand and good health; those who come are self-selected in terms of ambition; and many immigrants are perhaps less able than their Canadian-born counter-parts to obtain support from family members. Thus, the pressure to be in the labour force is stronger for foreign-born persons than for Canadian-born persons.

There was a wide range of variation in participation rates across birthplace groups. For males, the highest rates were observed for Southern Europe, Western Europe and Central Europe (above 80 percent). The lowest rates were observed for Western Asia, Southeast Asia, Oceania, Caribbean and East Asia (below the rate for the Canadian-born males of 77.8). Thus, rates tend to be higher for male immigrants from traditional source countries. This may be a consequence of longer periods of residence in Canada for these migrants.

For females, the highest rates were observed for those from the Caribbean, Southeast Asia and Oceania (above 58 percent), and the lowest for those from the United States, South Asia, Other Western Europe and Western Asia (below 52 percent). However, the Western Asian and other Western Europe groups had rates below that of Canadian-born females. It can be seen that the rank order of birthplace groups differs by sex. In fact, the rank ordering of the groups on these two dimensions produces a rank-order correlation[44] of -0.17, indicating a slight tendency for the male rates to be higher when female rates are lower, and vice-versa.

As length of residence increased, the age-adjusted labour force participation rates also increased (Table 9). Newly arrived immigrants had particularly low

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[43] Richmond, A.H. and W.E. Kalbach, *Factors in the Adjustment of Immigrants and their Descendants*, Statistics Canada, Ottawa, 1980, pp. 102, 275.

[44] For an explanation of Rank-order Correlation and the method of calculating it, see Blalock, H.M. *Social Statistics*, McGraw-Hill Book Co., Toronto, 1960, pp. 317-319.

Table 9. Labour Force Participation Rates, Adjusted for Age, of the Canadian-Born and Foreign-Born Populations, by Sex, Place of Birth and Period of Immigration, Canada, 1981

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-69	1970-74	1975-79	1980-81
Males						
Canadian-Born[1]	77.8	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	79.1	85.9	80.8	78.7	77.8	69.2
United States	77.8	83.6	80.3	76.8	75.8	70.9
Caribbean	76.3	87.9	80.0	77.5	74.8	64.3
S.& C. America	79.8	87.9	82.0	80.5	81.2	69.6
United Kingdom	80.1	86.0	82.0	81.3	81.0	78.2
Other W. Europe	80.1	86.9	79.6	79.4	78.2	72.1
Central Europe	80.1	86.4	80.8	79.3	76.1	66.1
Southern Europe	81.4	86.0	81.1	81.3	82.5	76.1
Eastern Europe	78.3	81.8	82.0	81.3	77.6	75.6
Northern Europe	78.8	85.0	82.7	77.2	75.0	73.6
Africa	79.0	86.1	79.9	80.3	75.8	71.3
South Asia	78.9	87.1	81.0	78.2	79.2	69.7
Southeast Asia	76.7	87.9	80.9	74.9	79.4	67.6
East Asia	74.0	84.6	78.5	76.4	73.7	61.6
Western Asia	77.5	85.5	78.8	78.5	76.6	62.4
Oceania & Other	76.5	86.1	79.3	76.7	76.8	65.9
Females						
Canadian-Born[1]	51.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	54.6	59.1	57.3	56.7	52.5	41.2
United States	51.6	56.8	55.5	54.7	46.5	39.3
Caribbean	63.2	67.5	68.0	65.2	59.6	49.8
S.& C. America	53.9	55.9	59.3	58.9	52.1	33.2
United Kingdom	56.8	61.9	59.6	57.7	55.7	45.3
Other W. Europe	50.8	54.8	54.2	50.4	50.8	36.5
Central Europe	54.8	59.0	57.0	55.8	50.1	37.6
Southern Europe	53.5	58.8	54.2	53.8	49.1	41.8
Eastern Europe	53.5	55.0	58.6	57.7	56.8	45.4
Northern Europe	52.6	56.3	53.2	50.9	46.2	37.1
Africa	56.8	61.7	60.1	58.1	52.2	43.0
South Asia	51.3	65.1	59.8	52.2	48.2	35.9
Southeast Asia	59.3	71.3	66.9	64.6	60.8	45.3
East Asia	55.5	63.8	60.8	57.1	54.7	41.5
Western Asia	43.7	60.9	53.6	43.5	37.6	22.6
Oceania & Other	58.1	70.5	63.2	54.9	52.8	42.5

[1] Includes 15,825 immigrants who were born in Canada.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

rates, and only males from the United Kingdom had a rate that surpassed that of Canadian-born males. Rates were also relatively low for those who arrived during the period 1975-79, but six male and eight female groups had rates that surpassed the average rates for their Canadian-born counterparts. By the time they had been in Canada for more than six years, most groups had higher labour force participation rates than did the Canadian-born population. Of the 30 sub-groups (15 birthplace for 2 sexes) who arrived during the 1970-74 period, the exceptions involved six male and two female groups. But there were no exceptions for the groups who arrived during the 1960's, nor for those who arrived before 1960. Also, as the length of residence in Canada increased, the inter-group variation in the participation rates decreased. The lower participation rates of the recently-arrived immigrants may possibly be due to the problem of adjustment to new labour market conditions in the host country, and to enrolling in language and skill-enhancing training courses.

In brief, the age-adjusted labour force participation rates for the male and female immigrant populations were higher than were those for their Canadian-born counterparts. The differences were more pronounced for females than for males. By birthplace, the European immigrants had the highest participation rates. As length of residence increased, participation rates rose, and less variation was observed across groups. For each of the 60 sub-groups shown who arrived before 1970, the labour force participation rates were higher than were those for their Canadian-born counterparts. Other things being equal, one would expect from these results that the higher labour force participation rates of immigrants would raise their average incomes in general, but especially of those who arrived more than ten years ago, and particularly the Europeans.

Occupational distribution

The distribution according to ten major occupational classes is given for males and females in Tables 10 and 11, respectively. It is worth noting the differences in the managerial and professional categories, since incumbents in these occupations tend to have higher average salaries. A higher percentage of immigrant than non-immigrant men had managerial or professional jobs: 27.2 versus 22.2. Only the following birthplace groups showed proportions that were below those of their Canadian-born counterparts: the Caribbean, South and Central America and Southern Europe. The groups with proportions of over 30 percent in the top occupational categories were those from the United States, the United Kingdom, Other Western Europe, Africa, South Asia, East Asia and Oceania. Thus, managerial and professional occupations do not specifically distinguish the new from the traditional source countries. Male immigrants were also more likely than were their Canadian-born counterparts to have been in occupations involving either service, construction or processing.

Among the Canadian-born population, women had a slightly higher proportion (24.8 percent) in managerial and professional occupations than did men

Table 10. Occupational Distribution of the Canadian-Born and Foreign-Born Male Populations Aged 15 Years and Over, by Place of Birth, Canada, 1981

Place of Birth	Total	Occupations									
		Managerial	Professional	Clerical	Sales	Service	Processing	Construction	Transport	Farming	Other
	(number)	(percentage)									
Total	**7,595,390**	**10.9**	**12.3**	**7.1**	**8.6**	**10.0**	**19.3**	**10.9**	**6.2**	**8.3**	**6.4**
Canadian-Born[1]	6,155,225	10.7	11.5	7.4	9.0	9.6	18.3	10.9	6.8	9.2	6.7
Foreign-Born	1,440,165	11.6	15.6	6.0	7.2	11.5	23.7	11.2	3.5	4.2	5.5
United States	85,975	14.5	25.1	5.4	9.0	8.0	11.9	7.8	4.2	9.3	4.8
Caribbean	58,910	6.9	15.1	10.8	5.8	11.6	32.3	5.4	4.5	0.9	6.7
S.& C. America	37,555	7.8	12.2	9.5	5.4	12.4	33.1	7.1	3.2	3.1	6.1
United Kingdom	293,710	17.1	20.4	6.7	8.8	8.8	17.8	8.3	4.0	3.0	5.2
Other W. Europe	102,265	14.5	16.4	4.5	7.7	7.8	19.2	10.7	4.0	10.8	4.5
Central Europe	195,285	13.0	14.9	4.4	7.3	7.7	25.9	12.1	3.5	6.1	5.1
Southern Europe	329,200	5.8	5.3	4.3	5.1	15.5	29.9	21.3	3.4	2.8	6.5
Eastern Europe	47,255	10.5	16.0	5.2	7.3	8.0	26.0	10.4	2.7	8.2	5.8
Northern Europe	27,405	12.7	12.4	3.5	6.6	6.2	20.5	18.2	4.4	10.2	5.4
Africa	42,370	17.9	25.6	10.6	11.7	9.1	15.9	2.9	2.3	1.0	3.1
South Asia	55,795	10.5	21.6	8.5	6.2	7.8	29.6	3.1	3.7	2.4	6.5
Southeast Asia	50,445	5.3	17.9	8.7	4.1	16.4	34.0	3.6	1.4	1.8	6.9
East Asia	72,775	11.2	21.6	7.0	8.1	28.3	14.3	2.7	1.9	1.2	3.7
Western Asia	26,455	12.4	16.1	6.2	13.5	13.5	24.2	6.0	4.0	0.8	3.5
Oceania & Other	14,775	12.0	22.1	6.6	6.7	9.8	23.2	8.5	4.0	2.1	5.0

[1] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Table 11. Occupational Distribution of the Canadian-Born and Foreign-Born Female Populations Aged 15 Years and Over, by Place of Birth, Canada, 1981

Place of Birth	Total	Occupations									
		Managerial	Professional	Clerical	Sales	Service	Processing	Construction	Transport	Farming	Other
	(number)	(percentage)									
Total	**5,533,870**	**5.1**	**19.3**	**35.5**	**9.6**	**16.9**	**7.6**	**0.3**	**0.6**	**2.6**	**2.5**
Canadian-Born[1]	4,511,335	5.1	19.7	36.8	9.9	16.6	6.1	0.4	0.7	2.7	2.2
Foreign-Born	1,022,535	5.3	17.5	29.9	8.6	18.2	14.3	0.3	0.4	2.2	3.4
United States	75,625	7.1	29.1	30.1	9.7	14.4	3.7	0.3	0.7	3.3	1.5
Caribbean	65,180	3.0	23.7	31.9	4.3	16.9	14.9	0.3	0.1	0.2	4.8
S.& C. America	31,895	3.3	12.0	33.1	5.5	18.5	19.8	0.3	0.1	2.5	4.9
United Kingdom	228,095	7.0	19.7	40.0	11.4	13.8	4.2	0.2	0.5	1.2	2.0
Other W. Europe	60,645	6.9	22.5	28.5	10.8	15.8	5.5	0.2	0.1	6.8	2.0
Central Europe	124,145	6.6	17.2	28.6	11.0	19.6	10.0	0.4	0.4	3.3	2.8
Southern Europe	198,370	2.6	6.0	18.6	6.1	24.5	33.8	0.4	0.2	1.8	6.0
Eastern Europe	26,625	5.7	19.6	23.8	10.5	21.2	12.0	0.4	0.2	3.5	3.1
Northern Europe	15,585	7.0	19.1	30.0	11.9	20.3	5.7	0.5	0.7	2.7	2.0
Africa	29,130	6.8	18.9	42.3	9.9	11.6	7.3	0.1	0.2	0.5	2.4
South Asia	35,770	3.9	16.3	29.9	5.6	15.1	18.8	0.2	0.2	4.7	5.3
Southeast Asia	46,915	3.5	26.4	25.1	3.3	17.4	19.6	0.2	0.1	0.9	3.4
East Asia	58,620	5.0	14.1	28.3	7.5	23.8	17.0	0.1	0.1	1.0	3.1
Western Asia	13,385	5.8	14.8	30.4	10.5	17.8	16.3	0.2	0.4	1.1	2.8
Oceania & Other	12,555	5.7	28.0	34.2	5.8	16.8	5.3	0.2	0.3	1.2	2.3

[1] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

(22.2 percent). On the other hand, immigrant women were less likely than were immigrant men, and also less likely than were Canadian-born women, to be in these occupations. However, there were nine immigrant groups with proportions higher than those for Canadian-born women in the top occupations. Immigrant women were more likely than were their Canadian-born counterparts to have been in service, and especially processing, occupations. While the clerical occupations were the largest single category, immigrant women seemed to have been less concentrated (29.9 percent) in this category than were Canadian-born women (36.8 percent).

Occupational distributions can be compared through a measure known as the "index of dissimilarity" (see Appendix C). This index measures the extent to which two distributions differ, and its magnitude can vary between 0 and 100. The lower the value, the greater the similarity in the distributions. Figure 11 presents such results, using the Canadian-born population as the point of reference. If one looks at cases where a given group is more than 25 percent different from the Canadian-born population in its occupational distribution, one sees that this situation applies to four male and to one female group. The male groups were from Africa, Southern Europe, East Asia and Southeast Asia. Africans were more concentrated in professional occupations, Southern Europeans in construction and processing occupations, East Asians more in service and professional occupations, and Southeast Asians in processing occupations. The female group was that from Southern Europe, and its members were more concentrated in processing and service occupations. With these few exceptions, the differences in occupational distributions were not significant enough to suggest a segmented labour market. However, it is well known that many immigrants do not achieve their intended occupations.[45] The present study also confirms previous research to the effect that immigrants are involved in various parts of the economy.[46] After reviewing several of these studies, Richmond and Zubrzycki concluded that "... the most striking feature of the distribution of the foreign-born in the labour force is the degree of similarity to the native-born."[47] On the other hand, a more detailed breakdown of the foreign-born population by occupation might show more concentration in certain geographic locations.

Work activity: weeks worked and part-time or full-time

For all persons aged 15 years and over who worked in 1980, even if for only a few hours, the census asked a question on the number of weeks worked. Work can include self-employment and unpaid work on a family farm or business. It also includes paid vacation or sick leave.

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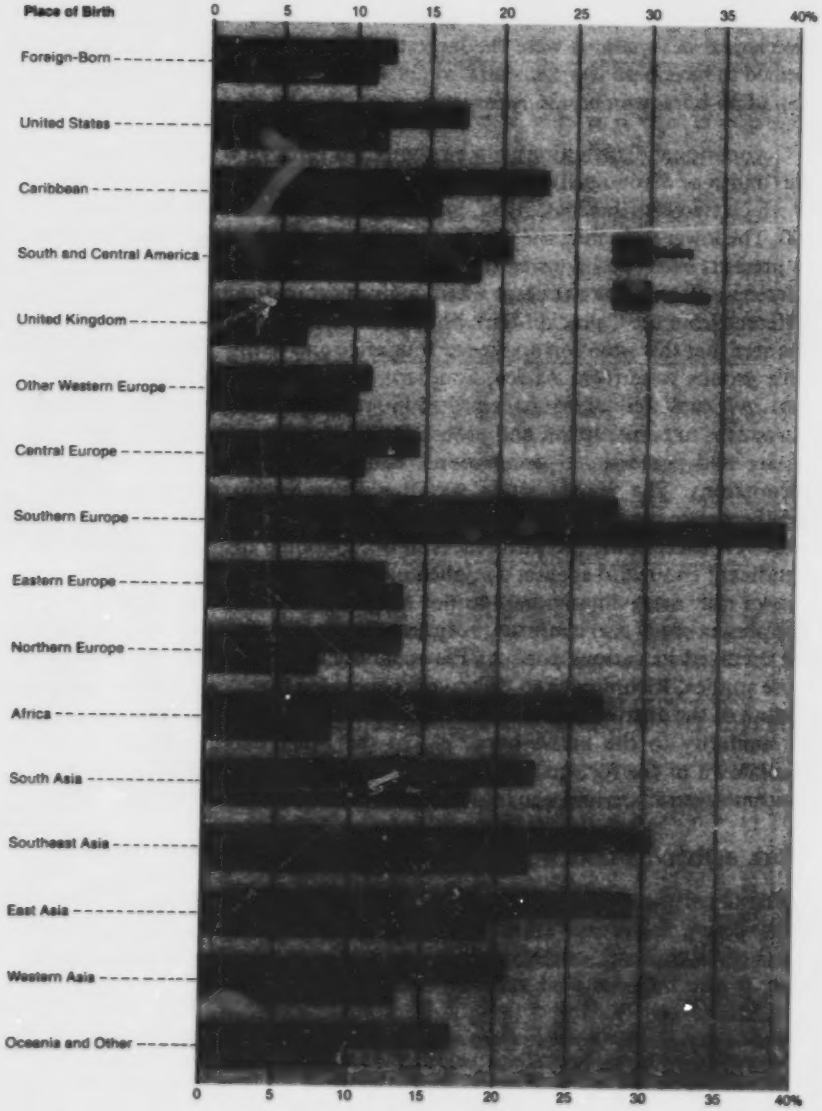
[45] Richmond, A.H., *Post-War Immigrants in Canada*, University of Toronto Press, Toronto, 1967. Manpower and Immigration, *Three Years in Canada*, Information Canada, Ottawa, 1974.

[46] McInnis, R.M., "A Functional View of Canadian Immigration", Paper presented at the annual meetings of the Population Association of America, Denver, 1980.

[47] Richmond, Anthony H. and Jerzy Zubrzycki, *Immigrants in Canada and Australia*, Volume 2, Institute for Behavioural Research, York University, Downsview, Ontario, 1984, p. 85.

Figure 11
Index of Dissimilarity in Occupational Distribution between the Canadian-born Population and Selected Place of Birth Groups, Canada, 1981



Source: Tables 10 and 11.

Table 12. Proportional Distribution of Population Aged 15 Years and Over by Place of Birth, Sex and Number of Weeks Worked in 1980, Canada

Place of Birth	Weeks				
	1-13	14-26	27-39	40-48	49-52
Males					
Total	7.8	10.0	8.1	13.9	60.2
Canadian-Born[1]	8.4	10.7	8.3	13.5	59.1
Foreign-Born	5.2	7.4	7.0	15.7	64.7
United States	7.9	9.4	7.7	13.7	61.3
Caribbean	7.9	8.9	7.2	15.1	60.9
South & Central America	7.1	9.4	8.8	18.4	56.3
United Kingdom	4.5	6.0	5.5	13.1	70.9
Other Western Europe	3.3	5.6	5.3	13.9	71.9
Central Europe	3.9	5.9	6.0	15.2	69.0
Southern Europe	3.9	7.7	8.9	18.6	60.9
Eastern Europe	4.8	6.8	5.8	15.4	67.2
Northern Europe	5.3	7.5	7.7	17.2	62.4
Africa	7.3	8.5	7.0	13.2	63.9
South Asia	6.3	7.8	7.2	16.4	62.2
Southeast Asia	11.6	13.8	9.5	17.9	47.2
East Asia	6.4	8.0	6.4	16.9	62.4
Western Asia	7.7	9.7	8.8	15.7	58.0
Oceania & Other	6.1	7.4	7.4	16.3	62.8
Females					
Total	13.3	14.1	9.8	13.9	48.9
Canadian-Born[1]	14.1	14.5	9.9	13.3	48.2
Foreign-Born	9.9	12.2	9.4	16.4	52.1
United States	13.8	15.5	10.8	14.5	45.4
Caribbean	9.4	11.4	9.6	16.6	53.0
South & Central America	12.3	13.4	11.2	16.0	47.1
United Kingdom	9.8	11.2	8.4	15.5	55.1
Other Western Europe	10.1	11.4	8.7	15.5	54.3
Central Europe	8.7	10.4	8.4	15.6	56.8
Southern Europe	8.0	11.9	9.8	18.3	52.0
Eastern Europe	8.6	10.1	8.0	16.7	56.5
Northern Europe	10.5	11.0	9.4	16.5	52.6
Africa	10.5	13.5	9.7	15.0	51.3
South Asia	12.6	18.2	11.5	15.2	42.5
Southeast Asia	11.5	13.8	10.5	19.4	44.7
East Asia	10.1	12.7	9.3	17.2	50.6
Western Asia	13.8	15.9	9.6	16.0	44.8
Oceania & Other	11.5	13.1	10.6	18.4	46.3

[1] Includes 15,825 immigrants who were born in Canada.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Table 13. Proportional Distribution of the Population Aged 15 Years and Over, Working Full-Time and Part-Time in 1980, by Place of Birth and Sex, Canada

Place of Birth	Males			Females		
	Total	Full-time	Part-time	Total	Full-time	Part-time
	(number)	(percentage)		(number)	(percentage)	
Total	**7,378,835**	**89.1**	**10.9**	**5,230,360**	**69.2**	**30.8**
Canadian-Born[1]	5,981,685	88.3	11.7	4,264,220	68.5	31.5
Foreign-Born	1,397,155	92.3	7.7	966,130	72.4	27.6
United States	83,145	87.1	12.9	70,865	64.2	35.8
Caribbean	56,780	90.2	9.8	62,325	81.3	18.7
S. & C. America	36,230	90.7	9.3	29,950	77.8	22.2
United Kingdom	286,760	92.0	8.0	216,925	66.5	33.5
Other W. Europe	100,540	94.3	5.7	57,265	63.1	36.9
Central Europe	190,260	92.9	7.1	117,710	68.7	31.3
Southern Europe	321,740	94.8	5.2	188,715	78.7	21.3
Eastern Europe	45,330	90.7	9.3	24,865	67.9	32.1
Northern Europe	26,410	91.7	8.3	14,620	66.0	34.0
Africa	41,040	90.7	9.3	27,455	77.7	22.3
South Asia	53,825	93.4	6.6	33,280	78.2	21.8
Southeast Asia	45,560	90.0	10.0	42,915	82.9	17.1
East Asia	69,945	90.6	9.4	55,015	78.7	21.3
Western Asia	25,240	89.8	10.2	12,350	72.0	28.0
Oceania & Other	14,350	91.4	8.6	11,885	71.7	28.3

[1] Includes 15,825 immigrants who were born in Canada.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Taking 40 weeks or more as representing a full year of work, it can be seen that immigrants of both sexes were more likely than were their Canadian-born counterparts to have worked the full year (Table 12). Among immigrant men, the groups that were less likely to have worked 40 or more weeks were from the United States, South and Central America, and Southeast and Western Asia. Among immigrant women, those from the United States and South and Western Asia were in a similar situation.

Persons who worked in 1980 can be further divided into those having worked part-time, and those having worked full-time. Part-time workers were those who worked less than the normal number of hours per week in their given job. For both sexes, immigrants were more likely to have worked full-time than were Canadian-born persons (Table 13). Among males, only men from the United States were more likely to have worked part-time than were Canadian-born men. The immigrant men who were the least likely to have worked part-time were from Southern Europe, Other Western Europe, South Asia and Central Europe. There was more variability in the extent of working part-time for women. Those from the United States, and Western, Eastern and Northern Europe, all had higher proportions working part-time than did Canadian-born women. Those who were the least likely to have been working

part-time were from Southeast Asia, the Caribbean, East Asia and Southern Europe.

In general, all things being equal, work activity can be expected to increase the income of immigrants. In addition, the higher proportions working full-time observed for the new immigrant women should increase their income.

Summary

The purpose of this chapter was to consider various characteristics of immigrant groups that might be expected to contribute to differences in their average incomes. Eight characteristics which past research had identified as relevant to income have been studied. Length of residence affects adjustment and experience and thus is expected to be positively related to income. Groups are expected to have lower average incomes if there are large proportions at ages 15-19 or at ages 65 and over. With respect to the size of place of residence, it is expected that a greater concentration of a group in large metropolitan areas would increase their average incomes. Groups would have advantages on language if they are more familiar with English and/or French. Higher levels of education, higher labour force participation and larger proportions in managerial and professional occupations may be expected to increase the average income of a given group. Finally, work activity, a measure of the weeks worked in 1980 and of the extent to which members of a group worked full-time, is also expected to be positively related to income.

In summary, the overall comparison of immigrants as a group to the Canadian-born male immigrants have advantages resulting from their age distribution (higher proportions in prime working ages), urbanization (higher proportion living in urban areas) education (higher proportion with university education), labour force participation (higher participation rates), occupational distribution (higher proportions in managerial and professional occupations) and work activity (higher proportions working full-time and more hours per week). For some, disadvantages may include shorter length of residence in Canada, and lack of knowledge of official languages. Unless length of residence and knowledge of official languages have an overriding importance in determining the incomes of men, one would expect immigrant men to have had higher average incomes than did Canadian-born men. Like male immigrants, female immigrants have advantages resulting from their age distribution, urbanization, labour force participation and work activity. Some of the disadvantages may include lack of knowledge of official languages, shorter length of residence in Canada, lower than average educational attainment, and concentrations in low-paying occupations. If labour force participation and work activity are the most important determinants of income for women, then one would expect immigrant women to have had higher average incomes than did Canadian-born women. Also, one would expect the income of the foreign-born and the Canadian-born to differ less for women than for men.

Considering specific birthplace groups, first with regard to men, the new immigrants would, on the whole, have advantages with regard to age distribution, urbanization and education, while those from traditional sources have advantages on length of residence in Canada, language abilities and labour force participation. For women, the new immigrants would have advantages on age distribution, urbanization, education and work activity, while the traditional groups would benefit from length of residence in Canada, language abilities and labour force participation.

In general, one is impressed with the considerable variation across birthplace groups. They present a picture of an "immigrant mosaic" for whom it is difficult to make broad generalizations aside from the fact that they are all immigrants.

Chapter 3: Total Income

This chapter presents the information on total income, while Chapters 4 and 5 consider employment income and the incidence of low income, respectively. The study starts with the overall average levels of income for each group, then makes comparisons after controlling for various characteristics.

According to Census definitions[48] with respect to the variables under study, total income is here defined as,

> "... income received during calendar year 1980 by persons 15 years of age and over [and] is the sum of incomes from the following sources: total wages and salaries; net non-farm self-employment income; net farm self-employment income; family allowances; old age security pension and guaranteed income supplement and benefits from Canada or Quebec Pension Plan; benefits from unemployment insurance; other income from government sources; dividends, interest and other investment income; retirement pensions; superannuation and annuities; and other money income."

In addition, total income is not available for persons in "... special care homes and institutions for the elderly and chronically ill, ... hospitals, ... institutions for the physically handicapped [and] penal and correctional institutions...", among others.

It should be noted that individuals who immigrated to Canada in 1980 or 1981 were asked not to report income earned prior to their arrival in Canada. Hence these individuals have been excluded from the study.

Basic income differences

Among persons aged 15 years and over who reported incomes in 1980, immigrant men earned an average total income of $18,553, which was 11.9 percent more than the $16,577 earned by Canadian-born men, while immigrant women earned an average of $8,872, or 6.6 percent more than the average of $8,322 earned by Canadian-born women (Table 14). While it is necessary to make comparisons that control for various characteristics such as age, education and occupation, these overall comparisons are of interest in themselves.

It was seen in the previous chapter that immigrants had a number of advantages over their Canadian-born counterparts in areas such as age structure, degree of urbanization, educational profile, labour force participation, occupational distribution and work activity. These relative advantages lead to the

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[48] *1981 Census Dictionary*, Statistics Canada, Cat. No. 99-901. Ottawa, 1982, pp. 24-25,28.

Table 14. Average Total Income* in 1980 for the Population 15 Years and Over, by Sex and Place of Birth, Canada

Place of Birth	Males			Females		
	Average ($)	Rank	% of Canadian-born	Average ($)	Rank	% of Canadian-born
Canada	**16,918**	**N.A.**	**102.1**	**8,414**	**N.A.**	**101.1**
Canadian-Born[1]	16,577	N.A.	100.0	8,322	N.A.	100.0
Foreign-Born	18,553	N.A.	111.9	8,872	N.A.	106.6
United States	18,499	7	111.6	9,082	6	109.1
Caribbean	15,634	14	94.3	9,465	4	113.7
S. & C. America	15,613	15	94.2	8,305	13	99.8
United Kingdom	20,450	2	123.4	8,730	10	104.9
Other W. Europe	20,474	1	123.5	9,077	7	109.1
Central Europe	19,694	4	118.8	9,307	5	111.8
Southern Europe	16,887	10	101.9	8,068	15	96.9
Eastern Europe	17,131	9	103.3	8,427	12	101.3
Northern Europe	17,869	8	107.8	8,552	11	102.8
Africa	19,451	6	117.3	9,946	3	119.5
South Asia	19,636	5	118.5	9,006	9	108.2
Southeast Asia	15,722	13	94.8	10,885	1	130.8
East Asia	16,628	11	100.3	9,062	8	108.9
Western Asia	16,570	12	100.0	8,235	14	99.0
Oceania & Other	20,345	3	122.7	10,130	2	121.7

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

expectation of higher income among immigrants in comparison with their Canadian-born counterparts, and moreover that the income disparity will be higher among males than among females. The disparities observed largely confirmed these expectations. According to 1961 and 1971 census data, respectively, the average income advantage of immigrant men over Canadian-born men was 2.2 percent in 1960, and 7.9 percent in 1970. Furthermore, the same sources indicate that the income of immigrant women was 5.0 below that for Canadian-born women in 1960, but 0.7 percent higher in 1970. The fact that the relative income of immigrant women has progressed over the last two decades is noteworthy, especially in light of the fact that immigrant women did not have educational and occupational advantages relative to Canadian-born women. Their higher average income, therefore, must be attributed to greater involvement in the labour force, and to higher proportions working full-time.

Considering the rank ordering of income groups (Table 14), Canadian-born males ranked between the immigrants from East Asia, who ranked 11th among the 15 foreign-born groups, and Western Asian immigrants, who ranked 12th. Canadian-born females ranked between the groups from Eastern Europe, who ranked 12th, and those from South and Central America, who stood 13th.

The rankings did not clearly distinguish the new immigrants from the traditional-source (Europe and the United States) immigrants. Some previous research has indicated that immigrants from regions other than Europe and the United States did not do as well in Canada.[49] While controlling for various characteristics (such as age, education and occupation) may show this to be the case in the present analysis, the overall comparisons, before adjustment for differences in characteristics, did not indicate that new immigrants were in a comparatively disadvantaged situation. Even the lowest income groups, males from South and Central America and females from Southern Europe, had average incomes that were only six and three percent, respectively, below those of their Canadian-born counterparts.

In an examination of the relative rankings of groups on various characteristics, it was concluded (Chapter 2) that men from the United Kingdom, Other Western Europe and Africa had the most advantages, while those from South and Central America, Eastern Europe, Northern Europe and Southeast Asia had the most disadvantages. For women, those with the most advantages were from the Caribbean, Africa and Oceania, while those with the most disadvantages were from South and Central America, Central Europe, Eastern Europe, Northern Europe and South Asia. With the exception of women from Central Europe, the groups identified as having had the most disadvantages ranked 8th or higher on the income scale, or fell in the lower half of the income distribution, indicating that the characteristics played an important role in the determination of average income. It may be noted that, among males, five of the eight new immigrant groups ranked in the lower half of the income scale, while the examination of characteristics would have lead us to expect that only the groups from South and Central America and Southeast Asia would be particularly disadvantaged. Thus, the factors considered in the present study may not explain all the observed income differences among birthplace groups.

The range of variation among birthplace groups amounted to $4,861 for males, and $2,817 for females. Stated differently, the average income of males from Other Western Europe (the highest) was 31 percent higher than that of males from South and Central America (the lowest), and the average income of females from Southeast Asia (the highest) was 35 percent higher than that of females from Southern Europe (the lowest). These are sizable differences, worthy of further analysis.

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[49] Ornstein, Michael D. and Raghubar D. Sharma, *Adjustments and Economic Experience of Immigrants in Canada: An Analysis of the 1976 Longitudinal Survey of Immigrants,* Institute for Behavioural Research, York University, Downsview, Ontario, 1983.
Richmond, A.H. and J. Goldlust, *Multivariate Analysis of Immigrant Adaptation, 1970,* Institute for Behavioural Research, York University, Downsview, Ontario, 1974.
Lanphier, C. Michael, *A Study of Third-World Immigrants,* Discussion Paper No. 144, Ottawa, 1979.
Richmond, Anthony H., *Comparative Studies in the Economic Adaptation of Immigrants in Canada,* Institute for Behavioural Research, York University, Downsview, Ontario, 1982.

Controls for age

Among the characteristics that are relevant to income, those of sex, age, education and period of immigration are probably the most important. Sex is such an important factor that all results are presented here separately for men and women. This study examines age and education separately before considering their combined effects. Results are also presented by period of immigration.

While the highest average income for Canadian-born males was found at ages 35-44 years, that for immigrant males was found at 45-54 years. On the other hand, the highest average income was found for Canadian-born, as well as immigrant females, at ages 35-44 years (Tables 15 and 16). It was only in four of the fourteen age/sex groups that the Canadian-born population showed higher incomes than did immigrants: men at ages 15-24 and 65-74, and women at ages 65-74 and 75 and over. The maximum excess of immigrant incomes over those of the Canadian-born populations was found at ages 55-64 years, and amounted to 8.8 percent for males, and 5.7 percent for females. There was also considerable variation across birthplace groups at these ages: for example, the average for males from Oceania exceeded that for males from East Asia by 69 percent, while the average for females from Oceania exceeded that for females from Southern Europe by 41 percent. However, the sex difference among immigrants at these ages was higher: the average income

Table 15. Index of Average Total Income* in 1980 by Place of Birth and Age Group, for the Male Population 15 Years and Over, Canada

Place of Birth	Age Groups						
	15-24	25-34	35-44	45-54	55-64	65-74	75+
Canadian-Born[1] ($)	7,803	18,055	23,018	22,794	19,413	12,697	8,946
(%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign-Born	93.7	102.8	101.0	102.9	108.8	97.6	100.5
United States	82.3	104.2	116.9	124.2	122.4	109.2	115.4
Caribbean	72.9	81.6	80.4	93.0	100.0	99.1	120.6
S.& C. America	90.6	85.7	84.9	96.3	91.5	95.5	108.9
United Kingdom	92.4	118.5	119.5	123.3	123.8	104.2	105.7
Other W. Europe	104.4	110.3	105.4	104.9	110.2	93.5	93.9
Central Europe	104.0	112.5	106.5	107.4	111.0	107.0	96.2
Southern Europe	111.7	98.5	86.1	83.6	85.5	70.1	78.4
Eastern Europe	95.6	99.3	118.9	102.5	108.7	99.4	102.6
Northern Europe	108.4	116.6	108.9	110.5	107.0	82.4	86.4
Africa	79.1	100.8	106.1	117.6	106.6	99.6	97.0
South Asia	96.4	98.8	102.8	117.0	116.8	79.2	71.0
Southeast Asia	86.1	87.3	85.9	103.5	90.4	69.8	63.0
East Asia	76.3	99.5	95.7	86.0	80.1	71.8	72.8
Western Asia	88.2	85.4	91.1	95.6	106.5	91.3	220.5
Oceania & Other	89.3	108.7	106.8	115.9	135.0	123.6	172.7

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Table 16. Index of Average Total Income* in 1980 by Place of Birth and Age Group, for the Female Population 15 Years and Over, Canada

Place of Birth	Age Groups						
	15-24	25-34	35-44	45-54	55-64	65-74	75+
Canadian-Born[1] ($)	5,622	10,050	10,208	9,882	8,352	7,129	7,127
(%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign-Born	100.7	100.2	104.5	105.6	105.7	97.2	93.4
United States	84.5	101.6	118.1	118.4	117.1	118.3	105.6
Caribbean	85.0	93.6	112.1	118.4	101.7	96.9	106.6
S.& C. America	103.5	85.6	95.3	99.0	99.5	96.2	75.0
United Kingdom	101.8	105.5	104.6	110.2	105.7	99.8	93.7
Other W. Europe	110.9	104.5	101.9	100.8	102.0	83.1	93.7
Central Europe	105.6	108.1	108.6	110.3	117.0	99.7	90.6
Southern Europe	115.0	93.2	86.9	87.7	85.2	76.9	79.6
Eastern Europe	113.1	95.0	123.5	112.7	111.9	97.3	94.5
Northern Europe	107.6	107.0	106.2	103.7	102.8	92.3	87.2
Africa	100.9	106.4	115.2	122.2	115.3	91.1	101.3
South Asia	94.4	85.8	110.4	122.1	99.9	94.8	88.7
Southeast Asia	97.2	110.4	132.7	128.7	102.2	72.7	66.9
East Asia	91.5	106.8	108.0	102.3	87.7	79.2	80.4
Western Asia	92.3	89.3	96.8	102.2	98.7	80.9	102.1
Oceania & Other	101.3	103.8	114.4	135.1	120.0	123.2	118.7

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

of immigrant men exceeded that for immigrant women by 139 percent. Similar comparisons can be made for other ages and immigrant groups. It should be noted however, that these comparisons do not take into account differences in educational attainment, which are very important.

While it is of interest to look at incomes within given age groups, overall comparisons which take into account differences in age composition are also important. Table 17 shows the average incomes that groups would have had if they had the age distribution of the entire Canadian population enumerated in 1981 (see Appendix B). This table can be directly compared to Table 14, which gives average incomes before adjustments. One can see that, while the average incomes of immigrant males and females exceeded those of Canadian-born males and females, the adjustment for age differences reduced the disparity for males to 1.8 percent, and for females, to 2.0 percent. The differences across birthplace groups increased for men, but decreased for women. For example, men from the United Kingdom (the highest) had an age-adjusted income which was 35.8 percent higher than that for men from Southeast Asia (the lowest). Women from Oceania had an age-adjusted income (the highest) that was 24.2 percent higher than that for women from Southern Europe (the lowest). Thus, while differences in age composition are relevant, they account for only part of the differences in average income.

Table 17. Average Total Income* in 1980 (Adjusted for Age) for the Population 15 Years and Over, by Sex and Place of Birth, Canada

Place of Birth	Males			Females		
	Average ($)	Rank	% of Canadian-born	Average ($)	Rank	% of Canadian-born
Canadian-Born[1]	16,320	N.A.	100.0	8,381	N.A.	100.0
Foreign-Born	16,610	N.A.	101.8	8,548	N.A.	102.0
United States	18,137	3	111.1	9,024	6	107.7
Caribbean	14,138	14	86.6	8,421	10	100.5
S. & C. America	14,673	12	89.9	7,895	14	94.2
United Kingdom	18,948	1	116.1	8,759	7	104.5
Other W. Europe	17,323	6	106.1	8,559	9	102.1
Central Europe	17,674	5	108.3	9,028	5	107.7
Southern Europe	14,802	11	90.7	7,705	15	91.9
Eastern Europe	17,177	7	105.3	9,054	4	108.0
Northern Europe	17,768	4	108.9	8,712	8	103.9
Africa	16,840	9	103.2	9,159	3	109.3
South Asia	16,907	8	103.6	8,360	11	99.7
Southeast Asia	13,954	15	85.5	9,176	2	109.5
East Asia	14,455	13	88.6	8,246	12	98.4
Western Asia	15,473	10	94.8	7,899	13	94.2
Oceania & Other	18,419	2	112.9	9,568	1	114.2

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

The rank ordering showed that, with very few exceptions, the new immigrant groups all appeared in the bottom half of the income distribution. Only men and women from Oceania, and women from Africa and Southeast Asia appeared in the top half of the income distribution. It is of interest to note the relative position of men and women in the groups from Africa and Southeast Asia. The African group ranked third in the female income distribution and ninth in the male distribution. The Southeast Asian group ranked second in the female distribution and fifteenth in the male distribution. It was as if the women were compensating for the relative disadvantage of their male counterparts by being more involved in the labour force in these two groups (see Table 9). An analysis of employment income in the next chapter will explore this possibility.

Comparisons by level of education

Table 18 gives average income by sex and level of education, adjusting for age. It was only at the lower levels of education that immigrants, as a whole, had higher average incomes than those of their Canadian-born counterparts. Thus, at the elementary level, the incomes of immigrant men and women were 15.0 and 20.6 percent higher, respectively. On the other hand, at the university

Table 18. Index of Average Total Income* in 1980 (Adjusted for Age) by Place of Birth, Educational Attainment and Sex for the Population 15 Years and Over, Canada

Place of Birth	Educational Attainment							
	Elementary		Secondary		Non-University		University	
	Males	Females	Males	Females	Males	Females	Males	Females
Canadian-Born[1] ($)	12,234	5,758	13,935	7,247	18,361	9,615	25,407	13,282
(%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign-Born	115.0	120.6	96.4	103.2	98.9	99.5	91.1	91.8
United States	109.7	103.9	96.2	92.2	92.9	91.8	94.3	90.2
Caribbean	93.2	115.3	76.1	97.9	78.4	99.3	80.9	94.0
S. & C. America	100.1	103.3	84.3	99.7	82.1	94.1	78.8	75.0
United Kingdom	115.9	114.8	103.2	102.6	112.0	101.8	103.9	94.1
Other W. Europe	124.0	116.1	100.7	101.0	101.0	95.7	94.1	98.6
Central Europe	122.2	128.4	102.3	110.3	103.6	101.3	95.7	97.3
Southern Europe	112.5	119.0	97.3	107.7	94.1	94.4	81.8	89.4
Eastern Europe	127.3	121.6	102.1	107.3	92.6	98.1	89.4	93.0
Northern Europe	120.2	124.9	104.0	104.3	109.8	97.7	95.0	91.9
Africa	88.1	116.9	83.9	102.9	85.2	103.9	91.0	95.5
South Asia	106.9	102.2	89.3	96.9	92.7	99.3	82.5	79.5
Southeast Asia	73.0	91.4	70.9	94.8	83.3	100.2	71.9	89.9
East Asia	89.6	118.3	77.9	99.3	85.5	101.6	78.6	83.7
Western Asia	100.8	107.3	85.8	98.5	83.3	90.1	92.7	90.1
Oceania & Other	97.5	114.2	98.8	110.0	98.6	105.6	99.2	94.4

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

level of education, average incomes of Canadian-born men and women exceeded those of immigrant men and women by 8.9 and 8.2 percent, respectively.

If birthplace groups are now compared, at the elementary education level, several groups had average incomes which were lower than those of their Canadian-born counterparts. Immigrants from the Caribbean, Africa, Southeast Asia, East Asia and Oceania among men, and those from Southeast Asia among women, recorded lower incomes. At the university education level, the five lowest groups for both men and women were those from Southeast Asia, East Asia, South Asia, South and Central America and Southern Europe. Thus, comparisons within given education categories, adjusting for age, tended to place the new immigrant groups in the lower half of the income hierarchy.

At the post-secondary, non-university education level, the average incomes of only four male and six female immigrant groups surpassed the average income of their Canadian-born counterparts. At the university education level,

Table 19. Average Total Income* in 1980 (Adjusted for Age and Education) for the Population 15 Years and Over, by Sex and Place of Birth, Canada

Place of Birth	Males			Females		
	Average ($)	Rank	% of Canadian-born	Average ($)	Rank	% of Canadian-born
Canadian-Born[1]	16,467	N.A.	100.0	8,169	N.A.	100.0
Foreign-Born	16,253	N.A.	98.7	8,398	N.A.	102.8
United States	16,005	7	97.2	7,623	15	93.3
Caribbean	13,270	14	80.6	8,174	9	100.1
S. & C. America	13,984	12	84.9	7,705	14	94.3
United Kingdom	17,731	1	107.7	8,390	6.5	102.7
Other W. Europe	16,960	4	103.0	8,289	8	101.5
Central Europe	17,179	3	104.3	8,850	1	108.3
Southern Europe	15,685	8	95.3	8,390	6.5	102.7
Eastern Europe	16,576	5	100.7	8,516	3	104.2
Northern Europe	17,465	2	106.1	8,466	5	103.6
Africa	14,265	11	86.6	8,487	4	103.9
South Asia	15,041	9	91.3	7,772	13	95.1
Southeast Asia	12,257	15	74.4	7,777	12	95.2
East Asia	13,503	13	82.0	8,178	10	100.1
Western Asia	14,643	10	88.9	7,830	11	95.8
Oceania & Other	16,244	6	98.6	8,750	2	107.1

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

only one group had a higher average income than did its Canadian-born counterpart — males from the United Kingdom. Thus, it would appear that immigrants may have experienced difficulties in having their educational credentials recognized in Canada. A past study has shown that Asian immigrants with Canadian qualifications did better than did those with qualifications from their country of origin.[50]

Controls for both age and education

In Chapter 2, it was reported that immigrant males had advantages over their Canadian-born counterparts on both age and education. As a result, controls for both may be expected to result in lower average incomes for immigrants. Figures for males in Table 19 have been obtained by assuming that each group had the age and education profile of the entire Canadian male population of 1981. In the absence of controls, immigrant men had an average income that was 11.9 percent above that of their Canadian-born counterparts. Controls for age reduced the income advantage to 1.8 percent, and controls

[50] Basavarajappa, K.G. and Ravi B.P. Verma, "Asian Immigrants in Canada: Some Findings from the 1981 Census". *International Migration* 23(1): 97-121, March 1985.

for both age and education put the income of immigrant men 1.3 percent below that of Canadian-born men. This means that, if Canadian-born and immigrant men all had the age and education profile of the entire Canadian male population of 1981, then immigrant men would have earned 1.3 percent less than did Canadian-born men.

After controls for age and education, the only male groups who had average incomes above that of Canadian-born males were those from the United Kingdom, Northern Europe, Central Europe, Other Western Europe and Eastern Europe. These were the source regions that were traditionally preferred in the selection of immigrants. The seven bottom groups were exclusively from Asia, Africa and Latin America. The average income of males from Southeast Asia, the Caribbean and East Asia was only 75 to 82 percent of that of Canadian-born males. The case of men from South Asia and Africa is interesting. Before controls, they had emerged as the two new immigrant groups who were in the upper half of the income distribution, having ranked fifth and sixth, respectively. Their incomes were 17 to 18 percent above that of Canadian-born men. However, once adjustments were made for age and education, the incomes of these two groups were 9 to 13 percent below those of Canadian-born men, and their ranks also changed to ninth and eleventh, respectively.

The results for women did not follow the same patterns (Table 19). It may be recalled that, while female immigrants had an age advantage, they did not have an educational advantage over their Canadian-born counterparts. After adjustment for age and educational differences, the average income of immigrants was 2.8 percent higher than that of Canadian-born women. Thus, the 6.6 percent advantage before adjustment was reduced, but it remained an advantage. The fact that women were less likely to have qualified under the points system to have been selected as independent immigrants, and were more likely to have arrived as family class members, might suggest that they would have significant disadvantages. However, these data did not support such a suggestion. After adjustments for age and education, the only groups of female immigrants with incomes below that of Canadian-born women were those from the United States, South and Central America, South Asia, Southeast Asia and Western Asia. Even the lowest income was only 7 percent less than that of Canadian-born women. There was also less variation across groups. At the extreme, women from Central Europe had 16 percent more income than those from the United States.

While immigrant women as a whole showed higher average incomes than did Canadian-born women, it is noteworthy that the six new immigrant groups from Asia and Latin America appeared in the lower half of the income hierarchy, along with women from the United States. The discrepancy, however, was not as large as in the case of males.

In summary, the basic income differences before controls for age and educational differences had indicated that immigrants had average incomes that were significantly above those of Canadian-born persons. The initial rank orderings did not clearly distinguish the new immigrants from traditional-source immigrants. In fact, three male and four female new immigrant groups appeared in the top half of the income distribution. However, the advantages of immigrants in general, and of the new immigrant groups in particular, were mostly due to their more favourable age and educational profiles. For men, the controls for age and educational attainment resulted in reducing the average income of immigrants to a level below that of Canadian-born persons, increasing the income differences across birthplace groups, and placing all groups of immigrant men from developing countries at the bottom of the income hierarchy. For women, these controls resulted in reducing the income advantage of immigrants over Canadian-born persons from 6.6 percent to 2.8 percent, decreasing the spread across groups, and placing the six groups from Asia and Latin America, along with women from the United States, in the lower half of the income hierarchy.

It is now necessary to control for other factors — especially period of arrival — in order to have a clearer view of the relative success of immigrants. While it would be advantageous to control for several factors at once, the detailed cross-tabulations that have been produced are not always satisfactory. The decreased cell sizes in the detailed tables mean that the figures become unreliable. One might expect that simultaneous controls for several relevant factors would decrease the variation across birthplace groups. However, the smaller cell sizes often result in greater variation, which make the detailed tables difficult to interpret.

Length of residence

Length of residence in Canada depends on period of arrival; the more recent the period of arrival, the shorter is the length of residence in Canada. A shorter length of residence would imply less time to adapt, and less Canadian work-related experience. Hence, length of residence is an important variable. It may be that the lower incomes of new immigrants from the developing countries, that have been observed after controls for age and education, are due to shorter lengths of residence in Canada. As indicated in Chapter 1, immigrants who arrived within the last year and a half before the census (i.e. during 1980 and 1981) were instructed not to report incomes obtained outside Canada. Hence, it was decided to exclude the 1980 and 1981 cohorts from all analyses of income. Thus, the average income of immigrants was more accurately estimated in this study than in previous studies.

When the average incomes were examined by period of immigration, with no adjustments for differences in characteristics (these tables are not presented in this study), only the arrivals of the period 1975-79 had incomes below those of Canadian-born persons. Once they had been in Canada for seven to eleven

years, all but five male and two female groups showed higher average incomes than those of their Canadian-born counterparts. However, when the data were adjusted for age and education, the situation of immigrants changed. Only the males who arrived before 1960, and the females who arrived before 1970, showed averages higher than those of their Canadian-born counterparts (Tables 20 and 21). As the length of residence in Canada increased, the relative incomes of all groups improved, when compared with those of their Canadian-born counterparts.

It is interesting to note at which period of arrival the average income of a given birthplace group fell below that of Canadian-born persons. For men, the income of the group from Southeast Asia was below that of Canadian-born men even for the cohorts who arrived before 1960. Among the 1960-64 cohorts, the incomes of nine more groups were below those of their Canadian-born counterparts. Only the group from the United Kingdom maintained an advantage among the 1965-69 and later, cohorts. Focussing on new immigrants, among the earliest cohorts (1960 or earlier), all groups except the one from Southeast Asia had incomes above those of their Canadian-born counterparts. Among the 1960-64 cohorts, only the incomes of groups from Africa and South

Table 20. Index of Average Total Income* in 1980 (Adjusted for Age and Education) by Period of Immigration and Place of Birth for Males Aged 15 Years and Over, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	16,467	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	99.7	112.6	99.4	93.6	86.2	80.1
United States	97.2	109.8	99.2	88.7	93.3	88.3
Caribbean	80.6	107.4	90.0	83.0	75.1	66.6
S. & C. America	84.9	113.0	95.5	87.9	76.2	70.4
United Kingdom	107.7	115.4	107.9	103.5	105.5	104.4
Other W. Europe	103.0	111.5	96.9	95.3	95.2	92.3
Central Europe	104.3	113.6	99.0	93.3	92.9	88.6
Southern Europe	95.3	107.3	92.2	87.3	83.0	84.2
Eastern Europe	100.7	129.4	105.8	93.4	89.6	73.1
Northern Europe	106.1	115.3	100.7	99.3	91.6	98.9
Africa	86.6	111.5	105.3	87.2	81.8	74.9
South Asia	91.3	113.6	106.7	95.5	83.6	76.4
Southeast Asia	74.4	88.8	67.8	79.5	79.0	63.2
East Asia	82.0	109.1	91.7	83.1	76.5	67.4
Western Asia	88.9	119.7	92.5	86.2	78.6	68.9
Oceania & Other	98.6	108.0	89.3	96.8	88.5	87.3

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Table 21. Index of Average Total Income* in 1980 (Adjusted for Age and Education) by Period of Immigration and Place of Birth for Females Aged 15 Years and Over, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	8,169	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	102.8	116.0	107.9	102.3	95.4	85.3
United States	93.3	106.5	93.7	89.4	89.4	82.9
Caribbean	100.1	119.5	112.1	104.0	94.9	85.5
S. & C. America	94.3	110.9	115.4	98.7	90.9	76.5
United Kingdom	102.7	114.7	106.7	101.4	97.6	89.1
Other W. Europe	101.5	107.6	102.5	105.9	99.4	90.0
Central Europe	108.3	118.3	107.5	101.6	102.4	87.9
Southern Europe	102.7	118.0	105.3	96.1	90.3	80.7
Eastern Europe	104.2	93.3	104.6	107.7	96.6	86.2
Northern Europe	103.6	114.9	92.6	92.8	100.3	84.4
Africa	103.9	137.3	121.5	105.4	97.9	88.8
South Asia	95.1	113.9	102.3	104.6	88.2	79.8
Southeast Asia	95.2	117.0	91.8	109.8	95.6	83.7
East Asia	100.1	123.2	109.6	106.5	96.7	83.3
Western Asia	95.8	130.2	109.0	98.2	80.2	76.1
Oceania & Other	107.1	96.1	103.7	108.8	95.3	86.2

[1] Includes 15,825 immigrants who were born in Canada.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Asia exceeded those of their Canadian-born counterparts. Among the 1965-69 and later cohorts, with very few exceptions, all groups were in the lower half of the income distribution. In fact, the most recent groups had (1975-79 cohorts) average incomes that were 13 to 37 percent below those of their Canadian-born counterparts.

In the case of women, no ethnic group was consistently below or above the average income of its Canadian-born counterpart. The income of only one group fell below in the 1960-64 cohort, and stayed below in all subsequent cohorts — female immigrants from the United States. Among the 1965-69 cohorts, three more groups (South and Central America, Southern Europe and Western Asia) had incomes below that of their Canadian-born counterparts. Among the 1970-74 cohorts, only the groups from Central and Northern Europe had higher incomes. It appeared that among the new immigrant groups, falling at the lower level of the income hierarchy was less pronounced for women than it was for men. For instance, the new immigrant cohorts of the 1975-79 period had average incomes that were 11 to 24 percent below that of their Canadian-born counterparts, whereas the corresponding percentages for men were 13 to 37 percent. Also, among the 1975-79 cohorts, the groups in

the lower half of the income distribution included the United States and Southern Europe, while they did not include the Caribbean, African, or Oceanian groups.

Place of residence

Earlier research using 1971 Census data had indicated that much of the income advantage of immigrants was a function of their greater concentration in metropolitan areas. The unadjusted 1981 Census data showed that immigrants had higher incomes both within and outside of census metropolitan areas when compared with Canadian-born persons. However, after adjusting for differences in age and education, only immigrant men from outside of metropolitan areas had incomes that surpassed the incomes of comparable Canadian-born men (Table 22). In metropolitan areas, men from the United

Table 22. Index of Average Total Income* in 1980 (Adjusted for Age and Education) for the Population 15 Years and Over, by Size of Place of Residence, Place of Birth and Sex, Canada

Place of Birth		Place of Residence			
		Males		Females	
		CMA[2]	Non-CMA	CMA[2]	Non-CMA
Canadian-Born[1]	($)	18,008	16,086	9,037	7,547
	(%)	100.0	100.0	100.0	100.0
Foreign-Born		93.4	105.1	97.8	98.6
United States		100.1	92.8	94.4	91.3
Caribbean		75.5	102.8	93.0	95.3
South & Central America		79.6	97.6	87.8	91.9
United Kingdom		104.3	109.3	99.4	97.8
Other Western Europe		98.9	104.6	99.1	98.2
Central Europe		100.6	103.3	103.8	103.4
Southern Europe		88.5	109.1	95.2	103.7
Eastern Europe		95.0	103.0	98.9	99.6
Northern Europe		100.6	112.0	99.3	102.7
Africa		81.9	104.9	96.7	103.2
South Asia		84.0	106.8	89.5	93.2
Southeast Asia		70.4	85.3	89.6	90.4
East Asia		76.9	99.6	92.4	105.4
Western Asia		84.2	95.2	87.8	115.5
Oceania & Other		94.9	106.2	102.9	89.5

[1] Includes 15,825 immigrants who were born in Canada.
[2] CMA = Census Metropolitan Area.
Note: Total income is calculated for only the immigrants who came to Canada before 1980.
* Those persons with zero income in all nine sources of income are excluded.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Kingdom, the United States, and Central and Northern Europe had higher incomes than did Canadian-born men, while those from Latin America, Asia and Africa were in the lower half of the hierarchy, with incomes 16 to 30 percent below those of Canadian-born men. For women, the groups in metropolitan areas with incomes 6 to 12 percent below those of Canadian-born women were from the United States, Latin America and Asia.

The new immigrant groups tended to have lower incomes than did Canadian-born persons in both residence categories, and especially the men within metropolitan areas. It was noted in Chapter 2 that new immigrant men had advantages with regard to age, education and urbanization. Clearly, once the differences in these characteristics were taken into account, new immigrant men had average incomes that were considerably lower than were those of the traditional immigrant groups, or that of Canadian-born men.

Conclusion

In 1980, immigrant men earned an average total income of $18,553, which was 11.9 percent more than the $16,577 earned by Canadian-born men, while immigrant women earned an average of $8,872 or 6.6 percent more than the average of $8,322 earned by Canadian-born women. However, these comparisons did not take into account any differences in characteristics, such as age, education and occupation, between the immigrant and the Canadian-born populations.

Immigrants had a number of advantages resulting from their age distribution, educational attainments, occupational distribution, etc. When adjustments were made for differences in the two most important characteristics, age and education, the average income of male immigrants fell to 1.3 percent below that of Canadian-born males, while the income advantage of female immigrants was reduced from 6.6 to 2.8 percent. In addition, after adjustment for differences in age and educational attainment, only male cohorts who arrived before 1960, and female cohorts who arrived before 1970, had higher average incomes than those of their Canadian-born counterparts. By place of residence, the adjusted incomes of immigrants were below those of the Canadian-born population, except for men living outside of census metropolitan areas, who had higher incomes.

The income differences among immigrant groups were larger than were those between the immigrant and the Canadian-born populations. Adjustments for differences in age and education did not reduce the income differences among the fifteen immigrant groups. Also, such adjustments resulted in all of the "new immigrant" groups, with the exception of men and women from Oceania and women from Africa, falling to the lower half of the income distribution. After taking into account the age and educational differences, the only male groups who had incomes above those of their Canadian-born counterparts

were from Europe (except Southern Europe). These were the source regions that were traditionally preferred in the selection of immigrants. Even the most recent cohort of men from the United Kingdom had adjusted incomes surpassing those of Canadian-born men.

As length of residence increased, every group improved its relative income in comparison to that of its Canadian-born counterparts. However, it seemed to take longer, 10 to 20 years, for some of the new immigrant groups to either achieve parity with, or to exceed, the incomes of the Canadian-born population. Among the 1965-69 and later cohorts, with very few exceptions, all new immigrant groups were found in the lower half of the income distribution. The most recent new immigrant cohorts (1975-79) had incomes that were 11 to 37 percent below those of their Canadian-born counterparts. In comparison, the income differential in this last cohort for immigrants from traditional source regions varied from 4 percent above, to 27 percent below, those of comparable Canadian-born persons. The disparities between the incomes of new immigrant groups and those of their Canadian-born counterparts were greater in metropolitan areas than in non-metropolitan areas.

Chapter 4: Employment Income

Total income from all sources is a measure of the remuneration to recipients for their overall contribution to production. Employment income, on the other hand, more directly measures return on human capital. According to the Census Dictionary, employment income refers to total income received by persons 15 years of age and over during 1980 as wages and salaries, net income from non-farm self-employment and/or net farm income. It should be noted that only persons who were members of the labour force have been considered in this study. Further, the analysis has been restricted to persons who worked for at least 40 weeks during the year. In addition to taking into account the differences in age, education and period of immigration, particular attention has been paid to differences in occupation and work activity (part-time or full-time).

An analysis of 1971 Census data showed that after controls for age, there was virtually no difference in the employment earnings of Canadian-born and foreign-born persons. However, there remained important variations within the foreign-born population: persons from the United States and the United Kingdom had higher than average incomes, while persons from Southern Europe and Asia had lower than average incomes. It was concluded that these differences, in turn, reflected differences among groups in period of immigration, occupational selectivity and the differing proportions of independent immigrants in the various birthplace groups.[51]

Basic differences in employment earnings

Immigrant men earned an average of $21,830, which was 4.9 percent above that earned by Canadian-born men, while immigrant women earned an average of $13,007 which was 1.8 percent below that earned by Canadian-born women (Table 23). There was more variation across birthplace groups: men from the United Kingdom, who had the highest income, earned 39 percent more than that earned by men from South and Central America, who earned the least, while women from the United States, who had the highest income, earned 36 percent more than that earned by women from Southern Europe, who earned the least. Among males, the groups that earned 6 to 13 percent less than Canadian-born men were from the new immigrant regions (the Caribbean, South and Central America, Southeast Asia, East Asia and Western Asia) and Southern Europe. The groups that earned 10 to 22 percent more than that earned by Canadian-born men were from traditional source regions (the United States, the United Kingdom, Central Europe, Northern Europe) and Oceania. The variations were similar among females. The groups from the Caribbean, South and Central America, Southern Europe, East Asia and Western Asia

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[51] Richmond, Anthony and Warren Kalbach, *Immigrants and their Descendants*, Ottawa: Statistics Canada, 1980, pp. 369-389.

Table 23. Average Employment Income* in 1980 by Place of Birth and Sex, Canada

Place of Birth	Males			Females		
	Average ($)	Rank	% of Canadian-born	Average ($)	Rank	% of Canadian-born
Canadian-Born[1]	20,802	N.A.	100.0	13,248	N.A.	100.0
Foreign-Born	21,830	N.A.	104.9	13,007	N.A.	98.2
United States	24,509	2	117.8	14,776	1	111.5
Caribbean	18,349	14	88.2	12,259	13	92.5
S. & C. America	18,157	15	87.3	11,400	14	86.1
United Kingdom	25,290	1	121.6	14,025	5	105.9
Other W. Europe	22,296	7	107.2	14,299	2	107.9
Central Europe	23,012	5	110.6	13,951	6	105.3
Southern Europe	18,673	13	89.8	10,861	15	82.0
Eastern Europe	22,076	9	106.1	13,840	7	104.5
Northern Europe	23,709	3	114.0	14,059	4	106.1
Africa	22,827	6	109.7	13,550	9	102.3
South Asia	22,157	8	106.5	13,169	10	99.4
Southeast Asia	18,687	12	89.8	13,706	8	103.5
East Asia	19,518	10	93.8	12,389	11	93.5
Western Asia	19,453	11	93.5	12,292	12	92.8
Oceania & Other	23,307	4	112.0	14,130	3	106.7

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

earned 6 to 18 percent less than that earned by Canadian-born women, while those from the United States, the United Kingdom, Other Western Europe, Northern Europe and Oceania earned some 6 to 12 percent more than that earned by Canadian-born women.

On total income, previous comparisons based on unadjusted incomes had not so clearly separated the new immigrants from those from traditional source regions, at least among the females, whereas on employment income, this initial comparison without adjustment for differences in compositional factors indicated that new immigrant groups, with the possible exception of those from Oceania, occupied the lower rungs of the economic ladder.

Adjustments for differences in age and educational attainments

As in the previous chapter, more valid comparisons can be made by controlling for age and education. The comparisons shown in Table 24 assume that each group had the age and educational distribution of the entire Canadian population of 1981. Before adjustments, the income of immigrant men was

Table 24. Average Employment Income* in 1980. Adjusted for Age and Education, by Place of Birth and Sex, Canada

Place of Birth	Males			Females		
	Average ($)	Rank	% of Canadian-born	Average ($)	Rank	% of Canadian-born
Canadian-Born[1]	21,116	N.A.	100.0	13,280	N.A.	100.0
Foreign-Born	20,466	N.A.	96.9	12,676	N.A.	95.5
United States	20,875	5	98.9	12,632	7	95.1
Caribbean	17,362	13	82.2	11,783	13	88.7
S. & C. America	17,562	12	83.2	11,411	15	85.9
United Kingdom	22,741	1	107.7	13,449	1	101.3
Other W. Europe	20,803	6	98.5	13,387	2	100.8
Central Europe	21,494	3	101.8	13,379	3	100.7
Southern Europe	19,460	8	92.2	12,238	9	92.2
Eastern Europe	21,029	4	99.6	12,760	6	96.1
Northern Europe	22,342	2	105.8	13,343	4	100.5
Africa	18,717	10	88.6	12,574	8	94.7
South Asia	19,295	9	91.4	11,969	11	90.1
Southeast Asia	16,429	15	77.8	11,419	14	86.0
East Asia	17,333	14	82.1	11,955	12	90.0
Western Asia	18,154	11	86.0	12,046	10	90.7
Oceania & Other	20,769	7	98.4	13,250	5	99.8

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not Applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

4.9 percent more than that of Canadian-born men. Adjustments for age differences put the income of immigrants at 0.8 percent below, while adjustments for both age and educational differences brought them to 3.1 percent below that of Canadian-born men. The income of immigrant women was 1.8 percent below that of Canadian-born women before adjustments, 5.8 percent below after adjusting for age differences, and 4.5 percent below after adjusting for both age and educational differences.

Once again, the differences across birthplace groups were sizable, amounting to 38 percent between the United Kingdom (highest) and Southeast Asia (lowest) among men, and 18 percent between the United Kingdom (highest) and South and Central America (lowest) among women. Among males, the adjustments for age and education resulted in improving the relative ranks of persons from Southern Europe and Eastern Europe, but lowering the relative ranks of persons from Africa, Southeast Asia and East Asia. As a consequence, the seven groups from developing regions were all found in the lower half of the income distribution, with incomes 9 to 22 percent below that of Canadian-born males. Only three groups had higher average incomes than that of Canadian-born males: those from the United Kingdom, Northern Europe and Central Europe.

Among females, the seven groups from developing regions, and the one from Southern Europe, were all found in the lower half of the employment income hierarchy after adjusting for age and educational differences. Their incomes were 5 to 14 percent below that of Canadian-born women. The groups with incomes above that of Canadian-born women were those from the United Kingdom, Other Western Europe, Central Europe and Northern Europe.

The distinction between new immigrants and those from traditional sources is clear with respect to employment income — the new immigrant groups all appeared in the lower half of the employment income hierachy. This is different from what was found in the analysis of total income, where adjustments for age and educational differences did not so clearly separate the new immigrant women from those from the traditional sources.

Period of immigration

It is important to determine the extent to which the lower employment income of new immigrant groups is a function of the length of residence in

Table 25. Index of Average Employment Income* in 1980, Adjusted for Age and Education by Place of Birth and Period of Immigration, Males, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	21,116	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	96.9	103.2	97.8	95.3	87.7	82.2
United States	98.9	104.2	99.2	95.7	98.6	90.9
Caribbean	82.2	100.5	91.0	86.7	76.2	70.0
S. & C. America	83.2	105.4	91.8	88.8	77.6	70.6
United Kingdom	107.7	107.1	107.0	106.2	107.7	105.7
Other W. Europe	98.5	99.8	96.8	94.8	92.1	89.4
Central Europe	101.8	104.8	97.7	95.5	93.0	89.8
Southern Europe	92.2	98.0	89.8	87.5	82.2	80.1
Eastern Europe	99.6	112.1	97.8	93.5	89.0	79.4
Northern Europe	105.8	108.0	98.5	104.7	90.4	95.6
Africa	88.6	107.6	104.0	89.0	83.6	79.6
South Asia	91.4	100.9	106.1	99.0	86.0	77.0
Southeast Asia	77.8	86.6	77.2	84.2	81.5	66.2
East Asia	82.1	97.0	94.4	86.1	77.5	69.4
Western Asia	86.0	103.4	92.2	89.1	82.7	67.4
Oceania & Other	98.4	96.0	90.8	96.6	94.8	90.9

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Table 26. Index of Average Employment Income* in 1980, Adjusted for Age and Education by Place of Birth and Period of Immigration, Females, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	13,280	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	95.5	103.4	99.2	97.0	89.2	79.9
United States	95.1	100.4	91.8	93.8	94.1	89.1
Caribbean	88.7	99.3	98.5	94.8	84.4	75.4
S. & C. America	85.9	106.9	103.9	93.7	84.6	69.2
	101.3	104.3	102.2	102.0	97.8	90.7
Other W. Europe	100.8	101.5	97.4	103.2	99.2	82.7
Central Europe	100.7	105.0	101.2	96.6	95.2	80.3
Southern Europe	92.2	100.3	91.2	87.9	78.8	77.5
Eastern Europe	96.1	83.0	97.5	101.5	91.4	77.8
Northern Europe	100.5	103.4	97.2	96.4	87.9	66.9
Africa	94.7	96.6	105.5	96.3	87.4	85.6
South Asia	90.1	93.7	96.3	99.5	88.0	76.5
Southeast Asia	86.0	91.3	64.3	98.5	89.9	74.1
East Asia	90.0	98.8	92.8	98.0	89.2	75.9
Western Asia	90.7	101.7	104.3	95.3	82.9	72.0
Oceania & Other	99.8	86.5	97.1	101.3	93.5	83.6

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Canada. The average income, adjusted for differences in age and educational attainment within each period of immigration, is presented as an index relative to the income of Canadian-born persons, in Tables 25 and 26. Ignoring birthplace distinctions and looking at immigrants as one group, only the pre-1960 cohorts had an adjusted average income above that of Canadian-born persons. Income declined consistently as the period of arrival became more recent.

Looking at birthplace groups and considering men, it may be seen that five groups had incomes below that of Canadian-born men in the pre-1960 cohort: Other Western Europe, Southern Europe, Southeast Asia, East Asia and Oceania. These groups continued to have lower incomes relative to Canadian-born men in all subsequent cohorts. In the 1960-64 cohort, six more groups fell below the average for Canadian-born men, and remained below in subsequent cohorts: United States, Caribbean, South and Central America, Central Europe, Eastern Europe and Western Asia. In the 1965-69 cohort, Africa and South Asia are added, and in 1970-74, Northern Europe. Only the group from the United Kingdom had an average income above that of Canadian-born men in the most recent (i.e. 1975-79) cohort.

Looking from the point of view of length of residence in Canada, it may be seen that, as in the case of total income, it was only immigrant men who had been in the country for 20 or more years (i.e. pre-1960 cohort), who had income surpassing the average for Canadian-born men. Considering birthplace groups, the income of only one group (United Kingdom) exceeded the average for Canadian-born men among those who had been in Canada for one to five years, and the income of one more group (Northern Europe) among those in Canada for 11 to 15 years, and the income of two more groups (Africa and South Asia) among those in Canada for 16 to 20 years. Thus, of the immigrant groups who had been in Canada for less than 20 years, only four of the fifteen birthplace groups had incomes that surpassed the average for Canadian-born men. Among those in Canada for 20 or more years, six other groups had incomes which surpassed this average. However, the incomes of five groups never surpassed the average for Canadian-born men: Other Western Europe, Southern Europe, Southeast Asia, East Asia and Oceania.

For women, the results were less consistent over time, in the sense that the average for a given group fell below that of Canadian-born women for one period of arrival, and above for a later period of arrival (Table 26). Among those who had been in Canada for less than 10 years (1970-74 or later cohorts), the incomes of all groups were below that of Canadian-born women. Among those who had been in Canada for 11 to 15 years (cohorts of 1965-69) and 16 to 20 years (cohorts of 1960-64), 11 and 10 groups, respectively, had incomes below that of Canadian-born women. Among those who had been in Canada for 20 or more years (pre-1960 cohort), 7 groups had incomes below that of Canadian-born women. The four groups that never reached or exceeded the average for Canadian-born women were all from the developing regions: Caribbean, South Asia, Southeast Asia and East Asia. The four groups that were fastest in arriving at or surpassing the average for Canadian-born women were all from Europe and Oceania. As in the case of men, it took almost 20 years for immigrant women to reach or exceed the average for Canadian-born women.

As can be expected, both men and women immigrants among the most recent arrivals, had the lowest incomes, men by 18 percent and women by 20 percent, when compared with their Canadian-born counterparts. It may be noticed that among the most recent arrivals, all male groups from developing countries, and Eastern Europe, and all female groups from Latin America, Asia, and Southern, Eastern and Northern Europe, had incomes which were 20 percent or more below those of their Canadian-born counterparts. On the other hand, there were only six cases (five of which were from developing countries) among the 120 groups who arrived before 1975 who had incomes which were more than 20 percent below that of their Canadian-born counterparts. This again indicates, as in the case of total income, that immigrant groups tend to improve their relative income positions as their length of residence in Canada increases.

It may be recalled that the average total income of immigrant men fell short of that of Canadian-born men by only 1.3 percent, while the average total income of immigrant women exceeded that of Canadian-born women by 2.8 percent. However, immigrant men and women had average employment incomes which were 3.1 and 4.5 percent, respectively, below those of their Canadian-born counterparts. What accounts for these differing patterns of relative total and employment incomes of immigrants? Perhaps part of the explanation lies in the differences in the net worth of immigrants relative to that of Canadian-born persons. Indeed, immigrants' average wealth, or net worth, was estimated to be 25 percent more than that of Canadian-born persons[52].

Adjustment for differences in age and occupational composition

Tables 27 and 28 present employment income adjusted for differences in age and occupational compositions. It may be noticed that for all periods of arrival combined, new immigrants fell in the lower half of the income distribution.

Table 27. Index of Average Employment Income* in 1980, Adjusted for Age and Occupation by Place of Birth and Period of Immigration, Males, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	21,007	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	99.1	103.9	99.4	98.0	93.1	88.8
United States	103.6	106.8	101.8	102.7	101.1	99.9
Caribbean	86.0	103.7	94.8	89.7	80.2	72.5
S. & C. America	88.5	102.0	91.0	92.7	81.8	79.9
United Kingdom	108.8	108.2	107.1	107.2	108.2	107.1
Other W. Europe	99.1	99.8	98.3	98.2	100.6	91.2
Central Europe	103.6	106.3	99.5	99.1	101.9	92.5
Southern Europe	92.3	96.9	90.9	88.1	84.4	82.7
Eastern Europe	100.6	112.5	96.9	94.8	97.6	83.7
Northern Europe	107.3	109.1	98.1	104.7	91.4	96.7
Africa	93.3	109.0	102.8	94.2	88.0	83.0
South Asia	96.5	107.0	98.6	102.6	92.2	83.9
Southeast Asia	86.6	98.5	91.5	93.0	87.4	74.2
East Asia	90.6	101.6	99.6	97.1	85.7	77.6
Western Asia	88.6	99.6	89.2	91.8	87.6	71.0
Oceania & Other	103.2	99.2	97.5	104.6	96.2	90.6

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

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52 Statistics Canada, *The Distribution of Wealth in Canada*, Catalogue 13-580 Occasional, 1984, Table 12, p. 42.

Table 28. Index of Average Employment Income* in 1980, Adjusted for Age and Occupation by Place of Birth and Period of Immigration, Females, Canada

Place of Birth	Period of Immigration					
	Total	Before 1960	1960-64	1965-69	1970-74	1975-79
Canadian-Born[1] ($)	3,188	N.A.	N.A.	N.A.	N.A.	N.A.
(%)	100.0	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign-Born	98.6	104.2	100.9	99.5	95.2	86.6
United States	100.6	103.3	100.0	100.4	98.6	98.3
Caribbean	90.7	97.1	94.3	93.9	85.8	79.4
S. & C. America	92.8	105.2	104.1	97.4	88.6	75.9
United Kingdom	101.9	105.8	103.3	101.1	98.5	91.3
Other W. Europe	102.5	102.4	100.7	106.0	95.3	85.3
Central Europe	103.3	106.4	104.4	99.3	101.6	87.9
Southern Europe	93.5	99.8	91.2	89.5	81.2	81.3
Eastern Europe	100.2	87.2	98.3	90.8	92.1	95.0
Northern Europe	103.7	102.4	98.6	90.8	95.6	72.7
Africa	100.1	99.6	108.0	100.2	93.6	91.7
South Asia	99.9	96.3	97.5	102.5	99.2	81.6
Southeast Asia	95.9	85.7	75.3	106.2	98.4	80.9
East Asia	98.5	104.9	98.8	104.7	96.3	82.3
Western Asia	96.4	104.5	89.7	101.6	85.3	78.0
Oceania & Other	100.0	87.9	95.4	105.2	87.0	84.8

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

N.A. = Not applicable.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

However, when period of immigration was considered, there were exceptions, and a clear pattern did not emerge.

Among the most recently arrived men (1975-79), only the income of the group from the United Kingdom surpassed the average income of Canadian-born men. The incomes of those from the United States, Other Western Europe and Central Europe did so next. The incomes of male groups from Southern Europe, Southeast Asia and Western Asia, irrespective of period of arrival, never exceeded that of Canadian-born men.

Among the most recently arrived women, the income of no group surpassed the income of Canadian-born women. Among those who arrived during the 1970-74 period, only the income of women from Central Europe exceeded that of Canadian-born women. Incomes of groups from the Caribbean and Southern Europe never surpassed that of Canadian-born women.

Most immigrant groups improved their relative economic position as length of residence in Canada increased. It may be recalled that the same pattern was observed when adjusted figures for differences in age and educational attainments were examined.

Effect of place of schooling

Previous research has shown that immigrants who obtained their schooling in Canada had an advantage in terms of receiving recognition for their educational achievements.[53] Relative incomes of persons from selected birthplace groups, who arrived during 1960-69 and who had post-secondary education, are presented in Table 29. Two groups, those aged 25-34 years (who would have been aged 4 to 22 years on arrival in Canada), and those of ages 35 to 45 years (who would have been aged 14 to 32 years), are presented. Members of the first group were much more likely to have obtained their post-secondary education in Canada. The income is presented as an index, relative to the income of Canadian-born persons of that age, sex and level of education, after adjusting for differences in occupational distribution.

For all birthplace groups combined, the magnitude of the indices were not markedly different for the two age cohorts. Men who would have completed their education in Canada were in a slightly better position, but the opposite held for women.

Table 29. Index* Showing the Effect of Place of Schooling on the Level of 1980 Employment Income Adjusted for Occupation by Education, Age, Sex, and Place of Birth, for the 1960-69 Immigrant Cohort, Canada**

Place of Birth	Males				Females			
	University		Non-University		University		Non-University	
	25-34	35-44	25-34	35-44	25-34	35-44	25-34	35-44
Canadian-Born[1] ($)	20,982	27,909	19,874	23,396	15,840	17,336	13,871	14,215
(%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign-Born	97.1	95.0	101.5	99.7	96.9	99.1	100.6	101.6
United States	93.1	94.0	96.3	104.1	91.2	86.6	90.4	83.1
Caribbean and Other America	94.1	90.4	95.6	88.0	94.5	96.5	103.4	100.4
United Kingdom	95.5	113.5	108.4	109.2	99.1	109.8	106.4	101.1
Northern Europe	96.9	88.5	100.6	96.7	95.0	101.5	97.4	103.0
Africa	99.2	94.2	80.1	93.7	97.4	85.8	95.8	98.6
Asia	101.1	87.6	103.2	93.1	100.8	98.8	99.0	99.6
Oceania & Other	96.3	95.0	113.6	101.2	80.5	104.0	111.2	103.0

[1] Includes 15,825 immigrants who were born in Canada.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* This is computed by dividing the average employment income of the Immigrant group by that of the Canadian-born population.

** Those persons with zero income in all three sources of employment income are excluded.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

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[53] Boyd, Monica, "Educational and Occupational Attainment by Nativity: Results of the Canadian National Mobility Survey", Unpublished Manuscript, 1976. See also Basavarajappa, K.G. and Ravi B.P. Verma, "Asian Immigrants in Canada: Some Findings from the 1981 Census". *International Migration* 23(1): 97-121, March 1985.

The differences between the two age cohorts were larger for given birthplace groups. Men from Asia, Latin America, Oceania and Europe outside of the United Kingdom, fitted the expected pattern in the sense that their relative position was slightly better if their education was completed in Canada. For women, the patterns were different at the two levels of education. It was likely that a number of women aged 14 to 32 years on arrival completed their education in Canada. There is a common pattern wherein immigrant women go back to school after raising a small family. Thus, there is a likelihood that both younger and older immigrant women in this study completed their education in Canada. Consequently, no one age cohort was better placed in comparison with the other. It was only women from the United States who fitted the expected patterns at both levels of education. That is, those who had completed their education in Canada were in a slightly better position than those who had completed their education in the United States.

It may be noted that men from the United States and the United Kingdom, who were likely to have completed their education in their countries of origin, were in a slightly better position than were those who were likely to have completed their education in Canada. It may be that the older men came with specialized skills and with pre-arranged employment, and thus were in an advantaged position.

Controls for work activity

Employment income is very different depending on whether persons are working full- or part-time. In the analysis of total income, it was speculated that female immigrant income was higher because of their greater likelihood of being in the labour force and of working full-time. The unadjusted immigrant incomes (which are not shown in the tables), were especially higher when compared with those for their Canadian-born counterparts — 19 percent for men and 15 percent for women among persons working mostly part-time. It is likely that the number of hours of part-time work were higher for the immigrants (see Chapter 2). Immigrant incomes were also higher for persons working full-time, but the differences were small.

After adjusting for differences in age and educational attainments, it was only for part-time workers that immigrants had higher incomes, on average (Table 30). Among men working mostly full-time, the results basically followed those presented earlier, wherein the new immigrant groups from the developing countries fell in the lower half of the income hierarchy.

For women, the most interesting observation is that immigrant incomes were above those of Canadian-born women for those who were working part-time, except in the case of those from three areas: the United States, South and Central America and the United Kingdom. The incomes of the groups from Africa and Asia exceeded those of Canadian-born women by 5 to 17 percent.

Table 30. Index of Average Employment Income* in 1980 Adjusted for Age and Education by Work Activity (Full-time/Part-time)[2], Place of Birth and Sex, Canada

Place of Birth		Male		Female	
		Mostly Full-Time	Mostly Part-Time	Mostly Full-Time	Mostly Part-Time
Canadian-Born[1]	($)	18,440	8,949	10,864	4,586
	(%)	100.0	100.0	100.0	100.0
Foreign-Born		98.3	100.2	97.7	105.5
United States		98.2	84.2	92.0	91.7
Caribbean		81.7	81.3	90.8	105.5
South & Central America		83.4	93.7	85.8	97.4
United Kingdom		109.6	102.4	103.8	97.4
Other Western Europe		101.7	107.3	103.8	111.8
Central Europe		104.0	98.6	104.0	113.2
Southern Europe		94.1	106.0	96.3	108.1
Eastern Europe		98.9	89.2	98.8	112.0
Northern Europe		107.2	101.2	102.9	108.7
Africa		88.6	93.7	96.5	117.1
South Asia		91.5	110.5	86.9	104.7
Southeast Asia		76.0	76.2	88.1	115.1
East Asia		83.4	93.8	92.7	114.2
Western Asia		86.6	91.9	90.1	116.0
Oceania & Other		99.6	88.9	102.9	113.7

[1] Includes 15,825 immigrants who were born in Canada.

[2] Refers to persons 15 years of age and over, excluding inmates, who worked in 1980, who were asked to report whether most of the number of weeks they reported worked in 1980 were full weeks of work or weeks in which they worked only part of the week.

Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.

* Those persons with zero income in all three sources of employment income are excluded.

Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

Among women working mostly full-time, the new immigrant groups, along with those from the United States, Southern and Eastern Europe, showed lower incomes than did Canadian-born women.

Knowledge of official languages

Table 31 presents the indices of average employment income adjusted for differences in age and educational attainment for the three official language categories: knowledge of English; knowledge of French, and; knowledge of both English and French. The category "knowledge of neither English nor French" was omitted from comparison because of extremely small numbers in many cells.

Table 31. Index of Average Employment Income* in 1980 Adjusted for Age and Education by Place of Birth, Knowledge of Official Language Abilities and Sex for the Population 15 Years and Over, Canada

Place of Birth	Knowledge of Official Languages							
	Males				Females			
	Total[2]	English	French	English and French	Total[2]	English	French	English and French
Canadian-Born[1] ($)	21,194	21,316	17,311	22,933	13,343	13,112	12,424	14,625
(%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign-Born	95.3	96.4	86.6	95.5	95.3	96.0	85.6	97.5
United States	97.1	98.4	98.7	92.4	95.6	95.4	94.9	96.5
Caribbean	80.4	82.8	69.9	77.5	87.8	90.5	74.5	85.7
S. & C. America	82.3	82.6	70.8	86.1	84.1	87.0	61.6	86.1
United Kingdom	101.1	105.5	**	115.8	97.2	101.6	**	103.7
Other W. Europe	97.5	97.7	95.6	97.9	99.0	99.4	96.4	99.1
Central Europe	100.5	100.4	102.5	100.4	99.8	100.4	87.1	103.9
Southern Europe	91.0	91.7	87.5	90.3	91.6	92.2	81.9	94.4
Eastern Europe	92.0	99.0	**	92.4	90.6	95.5	**	96.1
Northern Europe	96.8	104.8	**	96.2	90.1	99.8	*	101.7
Africa	87.2	86.6	83.7	90.7	92.1	92.7	82.9	94.9
South Asia	84.8	89.4	**	98.8	83.5	90.6	**	91.5
Southeast Asia	75.2	77.1	58.4	76.1	85.1	87.2	73.5	84.0
East Asia	79.7	82.5	**	82.9	84.9	92.9	**	93.9
Western Asia	84.8	85.0	81.2	85.6	87.5	91.8	60.9	87.2
Oceania & Other	89.4	97.6	**	88.3	90.1	101.4	**	89.5

[1] Includes 15,825 immigrants who were born in Canada.
[2] Adjusted for differences in age, educational attainments and knowledge of official languages.
Note: Employment income is calculated for only the immigrants who came to Canada before 1980, who were members of the labour force, and who worked for 40 or more weeks during the year.
* Those persons with zero income in all three sources of employment income are excluded.
** The number of observations were too small to give any meaningful figures.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

In rank ordering the average incomes of Canadian-born persons, it may be seen that knowledge of both English and French conferred the highest income, with knowledge of English in second, and that of French the third. This pattern held for both men and women of all immigrant groups.

Immigrants as a single group had lower incomes when compared to Canadian-born persons in all the three categories of knowledge of official languages. However, immigrants from the United Kingdom and Central Europe, with knowledge of English or both English and French, had higher incomes than did those of their Canadian-born counterparts. With very few exceptions, all other groups, especially those from the developing countries, had lower incomes when compared with their Canadian-born counterparts.

The first column for each sex in Table 31 includes adjustments for differences in age, education and knowledge of official languages. This can be compared to Table 24, where adjustments for differences in only age and education were considered. The additional adjustments for knowledge of official languages slightly reduced the differentials in average employment incomes associated with birthplace groups. Therefore, differences in distribution by knowledge of official languages accounted for only a small part of the differences in income associated with birthplace groups.

Among men, the difference in income between the highest and the lowest (United Kingdom and Southeast Asia, respectively) which was 29.9 percent in Table 24, was reduced to 25.9 percent in Table 31. Among women, a similar difference between the United Kingdom and South and Central America was reduced from 15.4 percent (Table 24) to 14.6 percent (Table 31). Most groups had very similar indices in these two tables. The only groups for which the introduction of language adjustment changed the index by more than five percent were the males from the United Kingdom, Eastern Europe, Northern Europe, South Asia and Oceania, and females from Eastern Europe, Northern Europe, South Asia, East Asia and Oceania. In each case, the introduction of adjustments for language abilities reduced their average employment income relative to that of their Canadian-born counterparts.

Summary

Immigrant men earned an average of $21,830, which was 4.9 percent above that earned by Canadian-born men, while immigrant women earned an average of $13,007, which was 1.8 percent below that earned by Canadian-born women. However, adjustments for differences in age and educational attainments put the income of immigrant men and women below their Canadian-born counterparts by 3.1 and 4.5 percent, respectively. As compared with these, adjusted total income of immigrant men fell short of that of Canadian-born men by only 1.3 percent, while that of immigrant women exceeded the average for Canadian-born women by 2.8 percent. This slightly better relative economic situation of immigrant men and women, based on total income as compared with employment income, may be due to the higher net worth or average wealth of immigrants, which was reported to be 25 percent more than that of Canadian-born persons.

Immigrants who had been in Canada for less than 20 years had average employment incomes that were below those of their Canadian-born counterparts. As length of residence in Canada increased, all groups improved their relative economic situation.

The new immigrant groups from developing countries, and women from Southern Europe, had average employment incomes that were 5 to 22 percent below those of their Canadian-born counterparts. However, once period of

immigration (or length of residence in Canada) was brought into the picture, the distinctive situation of the new immigrant groups became less clear, at least for men who arrived before 1975. The male groups from Africa and South Asia were the third and fourth groups to reach the income of Canadian-born men, while those from Other Western and Southern Europe were among the five groups that remained below Canadian-born men at each period of immigration. Among women, the four groups that were fastest in surpassing the income of Canadian-born women were all from Europe and Oceania, while the four groups that never surpassed it were all from Asia and the Caribbean.

Among the recently arrived groups (1975-79), eight groups (seven of which were new immigrant groups) had average employment incomes more than 25 percent below that of their Canadian-born counterparts: men from the Caribbean and East Asia, men and women from South and Central America, Southeast Asia and Western Asia, along with women from Northern Europe. However, for earlier periods of immigration there was only one group, women from Southeast Asia who arrived in the 1960-64 period, whose income was more than 25 percent below that of Canadian-born women.

Generally, the relative economic position of immigrant men from areas other than the United Kingdom and the United States was slightly better if their education was completed in Canada than if it were completed in their country of origin. Immigrants working part-time were found to have slightly higher income than their Canadian-born counterparts because of a higher number of hours worked. Distributional differences by categories of knowledge of official languages played only a small part in explaining the differences between the incomes of immigrants and those of their Canadian-born counterparts.

Chapter 5: Low Income Status

Chapters 3 and 4 used average incomes as a measure of the relative economic adaptation of immigrant groups. In this chapter, proportions of immigrant families and individuals having "low income status" are examined. There are a variety of possible ways of identifying and defining groups that are in a relatively disadvantaged situation. Often, unemployment is used as a measure. However, with census data, the consideration of low income seems to be a superior approach. In effect, low income can be seen as resulting from a variety of possible immediate factors, including lack of participation in the labour force, unemployment, working less than full-time for less than the full year, and being in occupations where salaries are low.

It is first necessary to define "low income status". The concept of low income that is adopted in this study was first used in the analysis of the 1961 Census.[54] Data from the Family Expenditure Survey had shown that in 1959, on average, Canadian families spent 50 percent of their income on food, clothing and shelter. These fit broadly into the "basic necessities" category. Families who spent disproportionately more than the national average were considered to be experiencing relative deprivation. This proportion was arbitrarily set at 70 percent, and all those families and individuals who spent more than 70 percent on basic necessities were classified as having "low income status". In 1969, on average, Canadian families spent 42 percent of their income on these essential items and, therefore, keeping the same difference, families who spent more than 62 percent were classified as having low income status. Using the same procedure, the cut-off established in 1978 involved families who spent more than 58.5 percent on food, clothing and shelter. As income varies by size of family unit and size of place of residence (or degree of urbanization), low income cut-offs were set at income levels differentiated by family size, and by the size of the place of residence. Thus in 1980, the low income cut-off varied between $5,289 for a person living alone in a rural area, to $20,375 for a family of seven or more persons living in an urban area of 500,000 or over. Appendix D presents the cut-off levels for families of different sizes living in urban areas of 500,000 or over.

Since the low income proportions are rather different when comparing families with individuals who live alone, these proportions are traditionally presented separately. The concept of family that is used here is the economic family, that is, persons related by blood, marriage or adoption who are living in the same household. Unattached individuals are persons who are not members of economic families. They may be living alone in a one-person household, with another unattached individual or with an economic family,

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[54] Podoluk, J.R., *Incomes of Canadians*. Queen's Printer, Ottawa, 1968.

but they have no blood, marriage or adoptive relation with other members of the household. Husband-wife families are included in the concept of economic families, in fact, they constitute the largest category of economic families. It should be noted that in an "immigrant family", one or both of the spouses could have been born outside of Canada, and they may have been married before or after arriving in Canada. Thus the concept of immigrant family could include various situations that may differ considerably. Since we could not analyze each of these different situations, we are using the concept of immigrant family to mean that where the reference person (person #1) of the family was born outside of Canada, and we refer to a Canadian-born family as that where the reference person (person #1) of the family was born in Canada.

In 1961, for Canada as a whole, 25.3 percent of economic families, and 43.5 percent of unattached individuals, were classified as having low income status. In 1971, these figures were 15.9 and 37.6 percent, respectively.[55] In 1981, the proportions decreased again to 13.0 percent for families, but increased slightly to 38.5 percent for unattached individuals. According to the 1981 Census, for Canada as a whole, about 826,000 economic families, and 907,000 unattached individuals, were classified as having low income status. The corresponding figures among immigrants were 179,000 and 200,000, respectively.

It should be realized that the low income cut-off is somewhat arbitrary, and it is not a "poverty line". It takes only money income into account, whereas poverty has many dimensions. Low income is a measure of relative deprivation compared to the overall level of living of the Canadian population. Another limitation is that immigrants may have a different set of spending criteria, such as supporting families abroad, or paying passage for family members who will be joining them. These considerations are not included in the present analysis.

Brief review of previous studies

The low income status of immigrants was not analyzed using the 1961 Census data. The longitudinal study of the 1969-71 immigrants found that 22 percent were below the low income cut-off six months after their arrival, but only 4 to 5 percent were below this cut-off after two or three years.[56] The 1971 Census data showed that low income status was more predominant in families where the head was a Canadian-born person.[57] The reverse was found for unattached individuals, where foreign-born individuals were found to have had higher proportions below the low income cut-offs. The incidence

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[55] Richmond, Anthony and Warren Kalbach, *Factors in the Adjustment of Immigrants and Their Descendants*, Statistics Canada, Ottawa, 1980, p. 391.

[56] Manpower and Immigration, *Three Years in Canada*, Information Canada, Ottawa, 1974, p. 58.

[57] Richmond, Anthony H. and Warren E. Kalbach, *Factors in the Adjustment of Immigrants and Their Descendants*, Statistics Canada, Ottawa, 1980, pp. 393, 396, 399.
Richmond, Anthony H. and Ravi P. Verma, The Economic Adaptation of Immigrants: A New Theoretical Perspective, *International Migration*, Vol. 12, no. 1, 1978, p. 34.

of low income status was highest for pre-war immigrants, especially if they were of Asian origin, and for recent immigrants of other than British origin. Second generation Canadians, as well as post-war immigrants of British origin, were among the least likely to have fallen below the low income cut-off. In a review of these results, it was concluded that immigrant families who might otherwise have had low income status, avoided doing so through high rates of labour force participation on the part of wives and other family members.[58]

Economic families with low income status

As in earlier studies, 1981 Census data showed that among economic families, immigrant families had a lower proportion in the low income status category. 11.6 percent of immigrant families were below the low income cut-off, compared to 13.1 percent for Canadian-born families (Table 32). However, it may be seen that as the period of immigration became more recent (or length of residence in Canada decreased), the proportion of families falling below the low income cut-off increased. Thus, in the most recent cohort, 19.0 percent of families headed by immigrants had low income status.

For all periods of arrival combined, while immigrant families showed, on the whole, lower proportions below the low income cut-off as compared with Canadian-born families, this did not apply to the new immigrant groups from the Caribbean, South and Central America, Southeast Asia, East Asia and Western Asia, and to the group from Southern Europe. The group from the Caribbean (the highest) had three times the proportion with low income status compared to the group from the United Kingdom (the lowest).

However, the results were somewhat different once the period of immigration was controlled. In the pre-1960 cohort, all groups except the East Asians showed lower proportions with low income than did the Canadian-born group. Even in this case, the difference was miniscule. A comparison among new immigrant groups showed that, while the groups from Southeast Asia, Oceania and South Asia exhibited some of the lowest proportions, those from East Asia, South and Central America and Western Asia, exhibited some of the highest. It is interesting that the new immigrant groups were at both ends of the spectrum. However, it should be noted that the pre-1960 cohorts from Southeast Asia, Oceania and South Asia were very small, and may have included some persons of European origin born in those countries.

For the 1960-6? cohort, the six following groups had higher percentages below the low income cut-off than did the Canadian-born group, and they stayed high in subsequent cohorts: the United States, the Caribbean, South and Central America, Southern Europe, Eastern Europe and Western Asia.

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[58] Richmond, Anthony H. and Jerzy Zubrzycki, *Immigrants in Canada and Australia: Vol. 2*, Institute for Behavioural Research, York University, Downsview, Ont., 1984, p. 114.

Table 32. Percentage of Immigrant and Canadian-Born Families with Low Income Status by Period of Immigration, 1980

Place of Birth	Period of Immigration				
	Total	Before 1960	1960-69	1970-74	1975-79
Canadian-Born[1]	13.1	N.A.	N.A.	N.A.	N.A.
Foreign-Born	11.6	9.4	11.6	15.5	19.0
United States	11.5	10.0	13.3	13.3	14.8
Caribbean	24.2	9.3	16.1	30.2	31.5
South & Central America	19.9	12.9	14.5	21.2	23.9
United Kingdom	7.5	7.5	7.1	8.0	7.9
Other Western Europe	9.4	8.8	10.3	11.5	14.8
Central Europe	10.2	9.9	10.5	12.1	16.2
Southern Europe	13.3	10.9	14.6	16.7	17.9
Eastern Europe	10.7	9.9	13.2	14.4	22.3
Northern Europe	10.3	10.1	11.4	10.2	8.9
Africa	12.2	7.9	9.3	12.6	17.1
South Asia	10.2	7.1	6.1	11.4	14.4
Southeast Asia	15.1	4.6	4.7	6.9	25.3
East Asia	14.5	13.4	9.4	13.2	22.3
Western Asia	21.2	11.6	15.9	25.4	28.7
Oceania & Other	11.7	6.2	9.5	16.8	14.7

[1] Includes 15,825 immigrants who were born in Canada.
Note: Low income status is calculated for only the immigrants who came to Canada before 1980.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

In the 1970-74 cohort, East Asia and Oceania were added to the list. In the 1975-79 cohort, five of the remaining seven groups had higher proportions than did the Canadian-born group: Other Western Europe, Central Europe, Africa, South Asia and Southeast Asia. Thus, only the groups from the United Kingdom and Northern Europe showed lower proportions than did the Canadian-born group in all cohorts. The advantages of immigrants from these two regions may be a function of their greater selectivity with respect to specialized skills, rather than to university education. Thus, the analysis over periods of arrival does not clearly point to a greater likelihood of persistent low income status for the families of the new immigrant groups.

As stated above, the most recent cohort showed the greatest proportions below the low income cut-off, and also the greatest variability across groups. While the groups from the United Kingdom and Northern Europe had less than 10 percent of their families below the low income cut-off, those from the Caribbean, Southeast Asia and Western Asia had more than 25 percent of their families in this category. The proportions for most new immigrant groups

(the Caribbean, South and Central America, Southeast Asia, East Asia, and Western Asia), and Eastern European group, were more than 50 percent higher than that for the Canadian-born group. It may be noted that some of these areas — South and Central America, Eastern Europe, Southeast Asia-and Western Asia — had contributed major proportions of refugees in recent years. As refugees need more assistance for adaptation in the initial years, they may be expected to have shown higher proportions below the low income cut-off than either independent immigrants, or the Canadian-born group. How long they take to better their economic conditions depends on many factors. Samuel has observed that "the employment/unemployment experiences of refugees were very much influenced by the prevailing labour market conditions, the refugees' proficiency in the country's official languages (especially English), the amount of sympathy evoked by the media reports on the plight of refugees, the availability of people of the same ethnic origin already well settled in the country and the adaptability of the refugees themselves."[59]

Unattached individuals with low income status

As in 1971, the situation of unattached individuals was the reverse of that of economic families (Table 33). That is, immigrants had higher proportions (42.0 percent) below the low income cut-off than did Canadian-born individuals (37.3 percent). It was also different with regard to period of arrival. There was less consistency from cohort to cohort. While the pre-1960, and the most recent (1975-79) cohorts, showed higher proportions than did Canadian-born individuals, those of the 1960-1974 cohorts showed lower proportions.[60] A possible explanation of these differences by period of arrival is that, while the cohorts who arrived during the period 1960-74 had sufficient time to establish themselves in the work world, the pre-1960 cohorts may have contained a greater proportion of retired individuals, whose incomes tended to be low, and the most recent cohorts may not yet have had time to establish themselves in the new country.

In the earliest cohort (pre-1960), the groups that had higher proportions below the low income cut-off than did the Canadian-born group were from the United States, the United Kingdom, Central Europe, Southern Europe, Eastern Europe, Northern Europe, East Asia, and Western Asia. All but two of these groups were from traditional immigrant sources. However, only the group from Eastern Europe continued to show higher proportions than did the Canadian-born group in all subsequent cohorts. In the 1960-69 cohort, the groups from East and Western Asia showed higher proportions relative to the Canadian-born group, but this situation was reversed in subsequent cohorts.

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[59] Samuel, T.J., Economic Adaptation of Refugees in Canada: Experience of a Quarter Century, *International Migration*, Vol. XXII, No. 1, 1984, p. 50.

[60] Other data indicated that among the elderly, the foreign-born persons were at a particular disadvantage. See Statistics Canada, *Canada's Immigrants*, 1981 Census of Canada, Statistics Canada, Ottawa, 1984.

Table 33. Percentage of Unattached Individuals with Low Income Status by Place of Birth and Period of Immigration, Canada

Place of Birth	Period of Immigration				
	Total	Before 1960	1960-69	1970-74	1975-79
Canadian-Born[1]	37.3	N.A.	N.A.	N.A.	N.A.
Foreign-Born	42.0	47.3	30.6	30.1	38.6
United States	42.9	48.2	34.5	28.6	32.9
Caribbean	36.2	35.3	25.7	33.7	53.5
South & Central America	32.0	27.8	26.4	28.9	40.5
United Kingdom	43.5	48.2	27.8	27.4	28.9
Other Western Europe	32.9	35.2	27.9	27.7	29.7
Central Europe	43.9	46.9	31.8	34.4	33.3
Southern Europe	39.4	44.2	33.3	35.2	35.9
Eastern Europe	55.6	55.9	56.5	55.1	46.5
Northern Europe	44.1	47.0	31.6	20.0	24.0
Africa	32.4	34.5	29.9	30.1	36.6
South Asia	26.1	22.8	25.6	24.0	30.0
Southeast Asia	30.8	19.1	16.8	17.4	42.9
East Asia	44.6	58.5	40.2	34.6	47.4
Western Asia	41.7	43.7	42.5	35.7	43.9
Oceania & Other	24.2	31.7	20.4	17.7	28.1

[1] Includes 15,825 immigrants who were born in Canada.
Note: Low income status is calculated for only the immigrants who came to Canada before 1980.
N.A. = Not applicable.
Source: Statistics Canada, Demography Division, Special Tabulations, 1981 Census of Canada.

In the 1970-74 cohort, only the group from Eastern Europe had higher proportions. Thus, among the pre-1975 cohorts, if anything, the groups from the traditional source regions showed higher proportions below the low income cut-off. However, among the most recent arrivals, the majority of new immigrant groups showed higher proportions than did the Canadian-born group.

Summary

While it involves a rather arbitrary cut-off, the consideration of low income status indicates a relative level of deprivation compared to the overall level of living of the Canadian population. In 1981, about 179,000 immigrant families, and about 200,000 unattached immigrant individuals, were classified as having low income status — that is, they spent more than 58.5 percent of their income on the basic necessities of food, clothing and shelter. The proportion with low income status was slightly lower among immigrant families, at 11.6 percent, than it was among Canadian-born families, at 13.1 percent. However, as the length of residence in Canada decreased, the proportions increased for immigrant families. Thus, for immigrant families where the reference person had arrived during 1975-79, the proportion was 19.0 percent, as compared

with 9.4 percent for those where the reference person had arrived before 1960. This pattern held good for most birthplace groups, including the new immigrant groups.

Only two immigrant groups, those from the United Kingdom and Northern Europe, exhibited consistently lower proportions than did the Canadian-born group, and this was true at all periods of arrival. This may be due to their greater selectivity with respect to specialized skills, rather than to university education.

Among the groups who arrived during the most recent period (1975-79), some which showed considerably higher proportions with low income status also happened to be those which had contributed major proportions of refugees in recent years.

With respect to unattached individuals, the pre-1960 immigrant groups from traditional sources showed higher proportions than did Canadian-born individuals, as did the new immigrant groups who arrived during the most recent period (1975-79). With the exception of Eastern Europe and East and Western Asia, unattached individuals, among all immigrant groups who arrived during the period 1960-74, showed lower proportions than did Canadian-born individuals. Also, generally, the proportions for the immigrant cohorts who arrived during the period 1960-74 were lower than for those who arrived during the pre-1960, or during the 1975-79 periods. A possible explanation for this pattern is that, while the cohorts who arrived during the period 1960-74 had sufficient time to establish themselves in the work world, the pre-1960 cohorts may have contained a greater proportion of retired individuals whose incomes tended to be low, and the most recent cohorts may not yet have had time to establish themselves in the new country.

Chapter 6: Summary and Conclusions

Background

Immigration has almost always been a matter of considerable importance in Canada. In demographic terms, it has amounted to 20.3 percent of total population growth since the beginning of this century, and the relative importance of immigration in the future will increase if fertility continues to decline. In fact, over the 1971-81 decade, net immigration accounted for 28.6 percent of population growth. In the 1985 Report to Parliament on the Review of Future Directions for Immigration Levels, presented by the Minister of the time, it is clearly indicated that immigration has a role to play in maintaining the demographic equilibrium of the country.

Thus, the question of how easily immigrants adapt to the Canadian milieu is a matter of more than passing concern. Immigrants comprised a relatively large share of the Canadian population in 1981 — 16.1 percent of the total, 19.2 percent of those aged 15 and over, and 19.0 percent of the labour force. Questions concerning adaptation and economic integration are, of course, important to immigrants themselves. In addition, the answers to these questions reflect on the extent to which Canadian society provides equal opportunity to its newer members. The economic experience of immigrants provides an important form of feedback with regard to immigration policy, and to the programs associated with the selection and adaptation of immigrants.

The policies and procedures for immigrant selection have, in fact, changed radically over time. From the beginning, there were policies aimed at selecting certain groups and restricting others. Until 1962, the selectivity focused especially on place of origin. Persons from the United Kingdom, the United States, and Northern and Western Europe tended to be invited, while those from other areas were restricted. The important change introduced in 1962, and reinforced in the 1967 points system of immigrant selection, involved lifting the place of origin restrictions to immigration. The basis for selection became "education, training, skills and other special qualifications". This had important consequences for the composition of the immigrant stream. The proportion of immigrants arriving in Canada from countries other than Europe and the United States stood at 7.9 percent during 1956-62, but rose to 59.7 percent during 1977-84. Consequently, while the proportion of foreign-born persons in the Canadian population remained rather stable, at about 15 to 16 percent, its composition changed considerably. In 1961, the proportion of the foreign-born population originating outside of Europe and the United States was 4.3 percent, but in 1981, it amounted to 25.1 percent. In absolute numbers, this category of "new immigrants" changed from 368,000 persons in 1971, to 962,760 in 1981 — a 162 percent increase in a decade. However, this group represented only 25 percent of the immigrant population, or 4 percent of the total population, in 1981.

Not all immigrants are selected under the points system. In fact only "independent immigrants" and "assisted relatives" are selected through this system. Two other classes of immigrants are defined by the 1976 Immigration Act — the "family class" and "refugees". Family class immigrants are admitted "... to facilitate the reunion in Canada of Canadian citizens and permanent residents with their close relatives". Refugees are admitted on humanitarian grounds. Since World War II, it is estimated that about 400,000 refugees have been admitted, amounting to 8.3 percent of all arrivals. During the period 1971-81, the independent and assisted relative classes amounted to 58 percent of the total, while the family class and refugees constituted 34 and 8 percent, respectively.

The variety of immigrant classes compounds the diversity associated with place of origin. The annual publication, *Immigration Statistics,* of Employment and Immigration Canada, which lists a total of 178 countries of origin, gives some idea of the diversity that has occurred in recent years. Thus, immigrants as a group are far from uniform. The term "immigrant mosaic" is an appropriate description of this diversity. The immigrants enumerated in the 1981 Census would, for instance, include an American engineer recruited to work in a Canadian subsidiary, an Indo-Chinese refugee rescued from the boats leaving Vietnam, and a teacher who arrived from the Netherlands as a very young child some 30 years ago and for whom country of birth may hardly seem relevant. Other than the fact that they are all immigrants, it is difficult to make generalizations that could capture this diversity.

When attempting to model the adaptation of immigrants, there are a variety of ways of thinking about the process. Traditionally, immigrants are viewed as arriving at the bottom of the status hierarchy, and working upwards over time or over generations. This is the "assimilation" perspective. It is probably more realistic however, to think of immigrants as arriving at various places in the status hierarchy, especially in economic sectors that are expanding, and then experiencing the opportunities and limitations associated with the particular "niche" they occupy. Nonetheless, it is important to know whether immigrants are able to obtain a return comparable to the Canadian-born population or commensurate with their educational attainment and skills.[61]

Previous research on the economic adaptation of immigrants indicated a considerable diversity of results. While it is difficult to do justice to this research in a brief summary, it was clear that most immigrant groups experienced initial difficulties. After varying periods of adjustment, however, all groups improved their economic position. Immigrants as a group came close to the Canadian-born population in average income. However, while immigrants from "traditional sources", particularly from the United Kingdom, the United

[61] Boyd, Monica, *Immigrants, Income Attainments and Labour Markets in Canada,* paper presented at the Population Association Meetings, Philadelphia, PA, 1979.

States, and Northern and Western Europe, achieved parity or exceeded the average incomes of persons born in Canada, those from Southern Europe or non-European sources did not do as well. Given the higher proportion of immigrants arriving from non-European sources in recent years it would be helpful to update these analyses periodically to assess whether the changing composition of immigrant origins is reflected in changes in relative income levels.

When the various characteristics of immigrants were reviewed in order to determine how these might have contributed to their economic adaptation, they were generally found to have a profile of characteristics which was expected to impact positively on their average incomes. When compared with Canadian-born men, a higher proportion of immigrant men were in the prime working ages of 25-54 years (54.2 percent vs. 37.9 percent), a higher proportion had university education (19.6 percent vs. 14.5 percent), a higher proportion held managerial and professional posts (27.2 percent vs. 22.2 percent), a higher proportion worked full-time (92.3 percent vs. 88.3 percent) and a higher proportion were in the labour force (79.1 percent vs. 77.8 percent). However, the proportion of immigrant men with knowledge of official languages was lower than those of Canadian-born men.

The balance of characteristics for immigrant women, on the other hand, was more evenly distributed. When compared with Canadian-born women, a higher proportion of immigrant women were in the prime working ages of 25-54 years (49.2 percent vs. 37.5 percent), a higher proportion worked full-time (72.4 percent vs. 68.5 percent), and a higher proportion were in the labour force (54.6 percent vs. 51.0 percent). However, immigrant women had lower proportions with post-elementary education (70.7 percent vs. 81.4 percent), a lower proportion in managerial and professional occupations (22.8 percent vs. 24.8 percent), and lower proportions with knowledge of official languages.

A higher proportion of immigrant men and women lived in urban areas (89 percent vs. 73 percent), and in Ontario and British Columbia (69.0 percent vs. 42.8 percent). As incomes in urban areas, and in Ontario and British Columbia, were higher than the national average, this would also have a positive impact on the average income of immigrants.

The specific groups analysed included seven from traditional immigrant source regions (United Kingdom, Other Western Europe, Central Europe, Southern Europe, Northern Europe and the United States) and eight new immigrant groups from non-traditional or non-European sources (Africa, South Asia, Southeast Asia, East Asia, Western Asia, Caribbean, South and Central America and Oceania and other). When the characteristics of these two broad categories were considered, neither appeared to be disadvantaged compared to the other. Men in the new immigrant category appeared, on the whole, to have had an edge with respect to age distribution, urbanization and education, while those from traditional sources were ahead when it came to length of residence, knowledge of official languages and labour force participation.

Women in the new immigrant group had a slight edge with respect to age distribution, urbanization, education and work activity. Considering men and women together, probably the main advantage of new immigrant groups stemmed from their higher educational profile, while their main handicap resulted from recency of arrival and a lower proportion with knowledge of official languages. It is therefore important to take these factors into account when incomes are compared.

Relative income of immigrants

Total income:

In 1980, immigrant men earned an average total income of $18,553, which was 11.9 percent more than $16,577 earned by Canadian-born men. Immigrant women earned an average of $8,872, which was 6.6 percent more than the $8,322 earned by Canadian-born women. However, these comparisons do not take into account differences in age composition, educational attainment and other relevant factors between the Canadian-born population and the immigrants.

When adjustments were made for differences in age composition and educational attainment (the two most important variables), the average income of immigrant men was 1.3 percent below that of Canadian-born men, while the income advantage of immigrant women was reduced from 6.6 percent to 2.8 percent. The adjusted incomes of immigrant men and women were $16,253 and $8,398, respectively, as compared with $16,467 and $8,169 for Canadian-born men and women, respectively.

When length of residence in Canada was taken into account, the income of immigrant men who had been in Canada for less than 20 years, and that of immigrant women who had been in Canada for less than 10 years, was lower than that of their Canadian-born counterparts. By residence categories, adjusted immigrant incomes were lower, except for men living outside census metropolitan areas.

There were larger variations in average total incomes across the fifteen specific birthplace groups than between immigrants as a whole and the Canadian-born population. In addition, to a large extent, adjustments for differences in age and education did not reduce the income differences across these groups. The adjusted averages indicated that the new immigrant groups from developing countries fell in the lower half of the income distribution, with the exception of women from Africa. After taking into account age and educational differences, the only male groups who had average incomes that were above those of their Canadian-born counterparts were those from the European regions outside of Southern Europe.

As length of residence increased, every group improved its relative income in comparison to that of the Canadian-born population. However, among the

immigrants who had arrived in the ten years preceding the census, the new immigrant groups continued to fall in the lower half of the income distribution.

Employment income:

The analysis of employment income for persons working 40 or more weeks of the year indicated that, before adjustments for differences in age and educational attainments immigrant men were 4.9 percent above, while women were 1.8 percent below, their Canadian-born counterparts. Adjustments for age and educational differences put the immigrant men and women at 3.1 and 4.5 percent, respectively, below their Canadian-born counterparts: for men $20,466 vs. $21,116, and for women, $12,676 vs. $13,280. Male as well as female immigrants who had been in Canada for less than 22 years had lower average employment incomes (again, adjusted for age and educational differences) than did those of their Canadian-born counterparts. That is, in this comparison, it was only the pre-1960 cohort that exceeded the income of the Canadian-born population.

It can be seen that, before adjustments, while the average total income of male immigrants was 11.9 percent above that of Canadian-born males, their employment income was only 4.9 percent above. It would appear that the greater difference in total income resulted from the immigrants having more net wealth, which would contribute to their total incomes but not to their employment incomes. While the average total income of female immigrants was 6.6 percent above that of Canadian-born females, their employment income was 1.8 percent below. Here the difference is probably a function of the fact that immigrant women were more likely to have been in the labour force (54.6 percent compared to 51.0 percent) and to have worked a greater number of hours per week. Employment incomes were calculated only for persons in the labour force. Thus, the higher total income of immigrant women would largely be a function of their greater labour force participation and greater wealth.

One characteristic of immigrant females warrants particular mention. Even if they often arrive as members of the "family class" and are, therefore, not selected by the points system, such women are dynamic participants in the economic activity of the country.

The analysis of specific birthplace groups showed that the new immigrant groups from developing countries, and women from Southern Europe, had average adjusted employment incomes that were from 5 to 22 percent below the average for their Canadian-born counterparts. However, once period of immigration (or length of residence in Canada) was brought into the picture, the distinctive situation of the new immigrant groups became less clear, at least for men who arrived before 1975. For instance, the male groups from Africa and South Asia were the third and fourth groups to arrive at the income of Canadian-born men.

Low income status:

Low income is a measure of relative deprivation compared to the overall living standard of the Canadian population. It is based on an income cut-off which is dependent on family size and the size of the place of residence.

Immigrant families in which the reference person arrived after 1969 had a higher incidence of low income than did Canadian-born families. The oldest and the youngest cohorts among unattached individuals (that is, those who arrived either before 1960 or after 1975) had a higher incidence of low income status. A possible explanation is that, while the cohorts who arrived during 1960-74 had sufficient time to establish themselves in the work world, the pre-1960 cohorts may have contained a greater proportion of retired individuals, whose incomes usually tend to be low, and the most recent cohorts may not yet have established themselves in the new country. By place of birth, at all periods of arrival, only families from the United Kingdom and Northern Europe had a lower incidence of low income than did Canadian-born families.

Some implications

For immigrants as a whole, the average levels of income were quite comparable to those of the Canadian-born population. However, these overall averages hide much diversity among both Canadian-born persons and immigrants. Thus immigrants have arrived at various times (or have various lengths of residence in Canada), they have been admitted under various criteria (independent, family class, refugees), and they have come from a variety of places of origin. The consequence of this diversity has been to disperse immigrants and their skills among the various levels of the social organization of Canada, and to facilitate the integration of immigrants into Canadian society.

The present analysis indicates that length of residence in Canada is a central element in the understanding of differential incomes. This observation confirms previous analyses based on the 1961 and 1971 Censuses. In 1961 it was found that the pre-war immigrants had higher incomes than the post-war immigrants. In 1971, it was found that most cohorts of 1946-60 post-war immigrants had surpassed the average incomes of their Canadian-born counterparts. The analysis based on the 1971 Census tended to identify groups from Southern Europe and other non-traditional sources as having had the lowest average incomes. These were exactly the groups that were arriving in larger numbers before 1971. In 1981, it was found that it was new immigrant groups from developing countries that tended to fall at the lower half of the income distribution. Whether or not they will improve their relative economic position as the length of residence in Canada increases, remains to be seen.

APPENDICES

APPENDIX A

Figure A.1 Census Questions Used in the Determination of Immigration Status in the 1981 Census of Canada.

23. Where were you born? (Mark according to present boundaries.)

IN CANADA

09 *Mark one box only*

- 01 ☐ NFLD.
- 02 ☐ P.E.I.
- 03 ☐ N.S.
- 04 ☐ N.B.
- 05 ☐ QUE.
- 06 ☐ ONT.
- 07 ☐ MAN.
- 08 ☐ SASK.
- 09 ☐ ALTA.
- 10 ☐ B.C.
- 11 ☐ YUKON
- 12 ☐ N.W.T.

OUTSIDE CANADA

Mark one box only

- 13 ☐ UNITED KINGDOM
- 14 ☐ ITALY
- 15 ☐ U.S.A.
- 16 ☐ WEST GERMANY
- 17 ☐ EAST GERMANY
- 18 ☐ POLAND

☐ OTHER (SPECIFY)

19 ☐☐☐

---

24. Of what country are you a citizen?

Mark as many boxes as apply

- 20 ☐ Canada, by birth → *Go to Question 26*
- 21 ☐ Canada, by naturalization
- 22 ☐ Same as country of birth (other than Canada)
- 23 ☐ Other

} *Go to Question 25*

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25. In what year did you first immigrate to Canada?

Print year below

If exact year is not known, please enter best estimate

24 ☐☐☐☐
Year

Figure A.2 Census Questions Used in the Determination of Income Status in the 1981 Census of Canada.

46. During the year ending December 31, 1980, did you receive any income or suffer any loss from the sources listed below?
    - If yes, please check the "Yes" box and enter the amount; in case of a loss, also check the "Loss" box.
    - If no, please check the "No" box and proceed to the next source.
    - Do not include family allowances.
    - Please consult the Guide for details.

		AMOUNT Dollars	Cents
(a) Total wages and salaries including commissions, bonuses, tips, etc. before any deductions	13☐ Yes → 14☐ No		
(b) Net non-farm self-employment income (gross receipts minus expenses) from unincorporated business, professional practice, etc., on own account or in partnership	15☐ Yes → 17☐ No		
	16☐ Loss		
(c) Net farm self-employment income (gross receipts minus expenses) from agricultural operations on own account or in partnership	18☐ Yes → 20☐ No		
	19☐ Loss		
(d) Old age security pension and guaranteed income supplement from federal government only, and benefits from Canada or Quebec Pension Plan (Provincial income supplements should be reported in (f))	21☐ Yes → 22☐ No		
(e) Benefits from Unemployment Insurance	23☐ Yes → 24☐ No		
(f) Other income from government sources including provincial income supplement and social assistance, e.g., veterans' pensions, workers' compensation, welfare payments (Do not include family allowances)	25☐ Yes → 26☐ No		
(g) Dividends and interest on bonds, deposits and savings certificates and other investment income, e.g. net rents from real estate, interest from mortgages	27☐ Yes → 29☐ No		
	28☐ Loss		
(h) Retirement pensions, superannuation and annuities and other money income, e.g., alimony, scholarships (Do not include family allowances)	30☐ Yes → 31☐ No		
(i) Total income from all of the above sources (Do not include family allowances)	32☐ Yes → 34☐ No		
	33☐ Loss		

APPENDIX B

CALCULATION OF STANDARDIZED AVERAGE INCOME

Whenever two or more groups are compared with respect to income, as in this study, it is necessary to hold constant the effects of differences in composition by age and educational attainment or other relevant factors among the groups compared. In this way, the comparisons become more valid. This is achieved by calculating the directly standardized average income. A description of this procedure may be found in text books that deal with demographic techniques[1].

The procedure is briefly described below:

Let d_{ij}^{k} represent the average income of k th immigrant group of age group i and educational category j

Let P_{ij} represent the population in age group i and educational category j of the standard population.

Then the standardized income for differences in age and educational attainment $D_{..}^{k}$ (each dot indicating the summation over a given variable) is given by

$$D_{..}^{k} = \frac{\sum_{i}\sum_{j}[P_{ij} \times d_{ij}^{k}]}{\sum_{i}\sum_{j}P_{ij}};$$

and the age or education standardized incomes $D_{.j}^{k}$ by

$$D_{.j}^{k} = \frac{\sum_{i}[P_{ij} \times d_{ij}^{k}]}{\sum_{i}P_{ij}};$$

similar formulae can be used for other characteristics.

For males, the male population of Canada classified by age and educational attainment is used as the standard, while for females, that of all Canadian females is used. The standard populations by age and education are presented in the following table.

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[1] U.S. Bureau of the Census, The Methods and Materials of Demography, by Henry S. Shryock, Jacob S. Siegel and Associates, Vols. I and II. Washington, D.C.: U.S. Government Printing Office, 1973.

When standardized average incomes are calculated for cohorts who arrive at different periods, it should be noted that the average standardized incomes for the cohort that arrived before 1960 may be slightly overestimated. The reasons are as follows: individuals in the pre-1960 cohort would be at least 20 years old in 1981. Thus the average incomes for this cohort at the youngest age group refers to that at 20-24 years and not to 15-24 years as is the case for all other cohorts. When these average incomes are applied to the group aged 15-24 years of the standard population, the standardized rate for the pre-1960 cohort would be slightly overestimated. Test calculations showed that such overestimation is less than one percent. As this overestimation occurs for all foreign-born groups, the effect on the relative comparisons of different birthplace groups is negligible.

Standard Population

Age	Educational Attainment				
	Elementary	Secondary	Non-University	University	Total
	Males				
15-24 yrs.	29,515	398,855	173,255	45,430	647,055
25-34 yrs.	86,155	578,745	521,910	392,520	1,579,330
35-44 yrs.	178,915	414,835	333,725	285,775	1,213,250
45-54 yrs.	266,430	345,940	209,655	154,425	976,450
55-64 yrs.	214,035	226,070	115,255	90,865	646,225
65-74 yrs.	34,510	29,785	12,565	13,550	90,410
75 yrs. & over	4,585	2,765	1,040	1,705	10,095
Total	**814,140**	**1,996,990**	**1,367,405**	**984,280**	**5,162,810**
	Females				
15-24 yrs.	11,735	296,400	171,095	46,230	525,460
25-34 yrs.	34,590	307,085	273,570	200,950	816,195
35-44 yrs.	68,630	207,890	157,700	97,255	531,475
45-54 yrs.	85,695	164,155	105,945	52,975	408,770
55-64 yrs.	58,450	95,880	59,480	27,525	241,335
65-74 yrs.	8,780	11,015	6,140	3,290	29,225
75 yrs. & over	2,295	1,760	1,215	720	5,990
Total	**270,170**	**1,084,180**	**775,145**	**428,955**	**2,558,450**

APPENDIX C

INDEX OF DISSIMILARITY

The index of dissimilarity is often used to compare two proportional distributions. The index is defined as one-half of the sum of absolute differences between two proportional distributions. Its value can range from 0 to 100.

Let P_{1i} represent the proportion in the ith category of population 1 and P_{2i} the corresponding proportion in population 2.

Then ID, the index of dissimilarity is given by:

$$ID = \tfrac{1}{2} \sum_{i=1}^{n} \left| P_{1i} - P_{2i} \right| \quad \text{where } 0 \leq ID \leq 100$$

The smaller the value of ID, the greater is the similarity in the distributions compared and vice versa.

APPENDIX D

Low Income Cut-Off Levels for Families Living in Urban Areas of 500,000 and Over, 1980

Size of Family	1980
	$
1	7,152
2	9,436
3	12,622
4	14,545
5	16,949
6	18,511
7+	20,375

Source: Statistics Canada, *The 1981 Census,* Economic Families in Private Households: Income and Selected Characteristics, Catalogue 92-937, Volume 1 – National Series, pp. xxiii-xxv, 1984.

GLOSSARY

Adjusted or Standardized or Normalized Average Income — Income that would be earned by the average person in a group, if that group had an age or education (or other or both) distribution that was identical to that of some other (standard) population. This allows more valid comparisons to be made. In the case of this analysis, the 1981 population of Canada is used as the "standard".

Canadian-born family — Economic family where the reference person (or person #1) was born in Canada.

Economic family — Refers to a group of two or more persons who live in the same dwelling and who are related to each other by blood, marriage or adoption.

Employment income — Refers to total income received by persons 15 years of age and over during 1980 as wages and salaries, net income from non-farm self-employment and/or net farm income.

Foreign-born — In this study, the two terms "foreign-born" and "immigrant" are used synonymously.

Full-time workers — Refers to persons 15 years and over who worked in 1980 at least the normal number of hours per week in their given job.

Immigrants — Persons who were born outside Canada, and who were not Canadian citizens at birth.

Immigrant family — Economic family where the reference person (person #1) was born outside of Canada.

Low Income Cut-Offs — A level of income below which it is likely that a greater than usual amount of money is being spent on essentials (food, clothing, shelter). The level is arbitrarily (though not haphazardly) set, and there are different levels for unattached individuals and families of various sizes, depending on the size of the urban area being considered.

Part-time workers — Refers to persons 15 years and over who worked in 1980 less than the normal number of hours per week in their given job.

Total income — Refers to the total money income received during calendar year 1980 by persons 15 years of age and over. Total income is the sum of income from the following sources: total wages and salaries; net non-farm self-employment income; net farm self-employment income; family allowances; old age security pension and guaranteed income supplement and benefits from Canada or Quebec Pension Plan; benefits from unemployment insurance; other income from government sources; dividends, interest and other investment income; retirement pensions; superannuation and annuities; and other money income.

These are just a few of the findings from this new and important study.